

2005 Statistical Summary



ABOUT THE COMPANY

TXU Corp., (NYSE: TXU) a Dallas-based energy company, manages a portfolio of competitive and regulated energy businesses primarily in Texas. With \$10.4 billion in operating revenues in 2005, TXU ranks in the top half of the Fortune 500. TXU conducts its operations primarily through two core business segments.

As a result of the 1999 Restructuring Legislation, which set into motion the deregulation of the electric industry in Texas, effective January 1, 2002, TXU Corp.'s integrated electric utility business was disaggregated (unbundled) and its operations were transferred to the newly established TXU Electric Delivery and TXU Energy Holdings subsidiaries.

TXU's business model for competitive markets combines electricity generation (TXU Power), and retail (TXU Energy) and wholesale (TXU Wholesale) energy sales through its TXU Energy Holdings segment (TXU Energy Company LLC). The regulated electric delivery segment (TXU Electric Delivery Company), comprised of distribution and transmission assets, uses superior asset management skills to provide reliable electricity delivery to three million points of delivery and delivers stable earnings and cash flow for TXU stakeholders. It is the largest electric delivery business in the state and the sixth largest in the nation.

TXU Power's portfolio includes over 18,300 megawatts of generation and additional contracted capacity with a fuel mix of nuclear, coal/lignite, natural gas/oil, and wind power. TXU Energy serves 2.3 million competitive electric customers in Texas where it is the leading energy retailer. TXU Wholesale supports both businesses by optimizing the performance of the generation assets and sourcing power for the retail operations, while managing commodity risks.

CONTENTS

Statements of Consolidated Income	2
Reconciliation of Operational Earnings to Reported Net Income	3
Statements of Consolidated Cash Flows.....	4
Consolidated Balance Sheets.....	6
TXU Electric Delivery	7
TXU Energy Holdings	11
TXU Power	13

THIS SUMMARY

The consolidated financial data and statistics in this summary reflect the financial position and operating results of TXU through 2005.

This summary is only intended to provide limited supplemental operational and statistical information. Its contents do not constitute a complete set of financial statements prepared in accordance with generally accepted accounting principles (GAAP). Accordingly, this summary is qualified in its entirety by reference to, and should be read in conjunction with, and not in lieu of, the companies' reports, including financial statements and their accompanying notes, on file with the Securities and Exchange Commission.

Independent auditors have not audited all of the financial and operating statements. This summary has been prepared primarily for security analysts and investors in the hope that it will serve as a convenient and useful resource. The format of this summary may change in the future as we continue to try to meet the needs of our investors. The company does not undertake to update any of the information in this summary.

This summary is not intended for use in connection with any sale, offer to sell, or solicitation of any offer to buy any securities of TXU Corp. or its subsidiaries. Inquiries concerning this summary should be directed to Investor Relations:

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TXU Energy	20
TXU Wholesale	23
ERCOT/Texas Market/Regulatory Highlights	24
Schedule of Long-Term Debt	29
Common Stock Data.....	31
Credit Ratings, Liquidity & Capital Expenditures...	32
Definitions	33
Investor Information.....	34

TXU CORP. AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME

	Year Ended December 31,		
	2005	2004	2003
	(millions of dollars, except per share amounts)		
Operating revenues.....	\$10,437	\$9,308	\$ 8,600
Costs and expenses:			
Fuel, purchased power costs and delivery fees	4,036	3,847	3,640
Operating costs	1,425	1,429	1,389
Depreciation and amortization	776	760	724
Selling, general and administrative expenses	781	1,091	907
Franchise and revenue-based taxes	364	367	390
Other income	(151)	(148)	(58)
Other deductions.....	45	1,172	42
Interest income	(48)	(28)	(36)
Interest expense and related charges	802	695	784
Total costs and expenses.....	<u>8,030</u>	<u>9,185</u>	<u>7,782</u>
Income from continuing operations before income taxes, extraordinary gain (loss) and cumulative effect of changes in accounting principles	2,407	123	818
Income tax expense	<u>632</u>	<u>42</u>	<u>252</u>
Income from continuing operations before extraordinary gain (loss) and cumulative effect of changes in accounting principles	1,775	81	566
Income from discontinued operations, net of tax effect	5	378	74
Extraordinary gain (loss), net of tax effect	(50)	16	—
Cumulative effect of changes in accounting principles, net of tax effect	<u>(8)</u>	<u>10</u>	<u>(58)</u>
Net income	1,722	485	582
Exchangeable preferred membership interest buyback premium	-	849	—
Preference stock dividends	<u>10</u>	<u>22</u>	<u>22</u>
Net income (loss) available for common stock	<u>\$ 1,712</u>	<u>\$ (386)</u>	<u>\$ 560</u>
Average shares of common stock outstanding (millions):			
Basic	476	600	643
Diluted	486	600	758
Per share of common stock— Basic:			
Income from continuing operations before extraordinary gain (loss) and cumulative effect of changes in accounting principles	\$ 3.73	\$ 0.13	\$ 0.88
Exchangeable preferred membership interest buyback premium.....	—	(1.41)	—
Preference stock dividends.....	<u>(0.02)</u>	<u>(0.04)</u>	<u>(0.03)</u>
Net income (loss) from continuing operations available for common stock	3.71	(1.32)	0.85
Income from discontinued operations, net of tax effect	0.01	0.63	0.11
Extraordinary gain (loss), net of tax effect.....	(0.10)	0.03	—
Cumulative effect of changes in accounting principles, net of tax effect ...	<u>(0.02)</u>	<u>0.02</u>	<u>(0.09)</u>
Net income (loss) available for common stock	<u>\$ 3.60</u>	<u>\$ (0.64)</u>	<u>\$ 0.87</u>
Per share of common stock— Diluted:			
Income from continuing operations before extraordinary gain (loss) and cumulative effect of changes in accounting principles	\$ 2.63	\$ 0.13	\$ 0.82
Exchangeable preferred membership interest buyback premium.....	—	(1.41)	—
Preference stock dividends.....	<u>(0.02)</u>	<u>(0.04)</u>	<u>(0.03)</u>
Net income (loss) from continuing operations available for common stock	2.61	(1.32)	0.79
Income from discontinued operations, net of tax effect	0.01	0.63	0.10
Extraordinary gain (loss), net of tax effect.....	(0.10)	0.03	—
Cumulative effect of changes in accounting principles, net of tax effect ...	<u>(0.02)</u>	<u>0.02</u>	<u>(0.08)</u>
Net income (loss) available for common stock	<u>\$ 2.50</u>	<u>\$ (0.64)</u>	<u>\$ 0.81</u>
Dividends declared.....	\$ 1.26	\$ 0.47	\$ 0.25

TXU CORP. AND SUBSIDIARIES
RECONCILIATION OF OPERATIONAL EARNINGS TO REPORTED NET INCOME

Reconciliation of Operational Earnings¹ to Reported Net Income
For the years ended December 31, 2005 – 2003; \$ per share after tax

Factor	2005	2004	2003
Net income (loss) to common	2.50	(0.64)	0.81
Discontinued operations	(0.01)	(0.63)	(0.10)
Extraordinary (gain) loss	0.10	(0.03)	-
Cum. effect of changes in accounting principles	0.02	(0.02)	0.08
Premium on EPMIs	-	1.41	-
Preference stock dividends	0.02	0.04	0.03
Income (loss) from continuing operations	2.63	0.13	0.82
Preference stock dividends	(0.02)	(0.04)	(0.03)
Effect of diluted shares calculation/rounding	0.01	0.03	-
Effect of accelerated share repurchase true-up	1.02	-	-
Special items	(0.31)	1.29	-
Operational earnings	3.33	1.41	0.79

Description of Special Items

For the years ended December 31, 2005 and 2004; \$ millions and \$ per share after tax

Special Item	Main Earnings Category	2005 \$ Millions	2005 \$/Share	2004 \$ Millions	2004 \$/Share
TXU Energy Holdings segment:					
Charges related to leased equipment	Other deductions	-	-	117	0.18
Software write-off	Other deductions	-	-	70	0.11
Employee severance costs	Other deductions	-	-	69	0.11
Power purchase contract termination charge	Other deductions	-	-	66	0.10
Spare parts inventory write-down	Other deductions	-	-	51	0.08
Outsourcing/transition costs	Other deductions	6	0.01	6	0.01
Other asset impairments	Other deductions	-	-	4	0.01
Other charges	Oper. costs/SG&A	-	-	6	0.01
Recognition of deferred gain on plant sales	Other income	-	-	(38)	(0.06)
Gain on sale of undeveloped properties	Other income	-	-	(12)	(0.02)
TXU Electric Delivery segment:					
Employee severance costs	Other deductions	-	-	13	0.02
Cities rate settlement charge	Other deductions	-	-	14	0.02
Outsourcing/transition costs	Other deductions	1	-	3	0.01
Software write-off and asset impairment	Other deductions	-	-	2	-
Other charges	Oper. costs/SG&A	-	-	1	-
Corporate and Other:					
Litigation settlement benefit	Other income	(23)	(0.05)	-	-
Compensation/professional fees	SG&A	3	0.01	87	0.13
Liability management expense	Other deductions	-	-	382	0.59
Litigation settlement expense	Other deductions	-	-	56	0.09
Employee severance costs	Other deductions	-	-	3	0.01
Outsourcing/transition costs	Other deductions	1	-	3	0.01
Income tax benefit	Income taxes	(138)	(0.28)	(75)	(0.12)
Total		(150)	(0.31)	828	1.29

¹ Operational earnings is a non-GAAP measure that adjusts net income for special items. See Definitions for a detailed definition of operational earnings.

TXU CORP. AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS

	Year Ended December 31,		
	2005	2004	2003
	(millions of dollars)		
Cash flows — operating activities:			
Income from continuing operations before extraordinary gain (loss) and cumulative effect of changes in accounting principles.....	\$ 1,775	\$ 81	\$ 566
Adjustments to reconcile income from continuing operations before extraordinary gain (loss) and cumulative effect of changes in accounting principles to cash provided by operating activities:			
Depreciation and amortization.....	836	826	791
Deferred income taxes and investment tax credits — net	481	(11)	(40)
Losses on early extinguishment of debt	—	416	—
Asset writedown charges	11	196	—
Lease impairment charge (credit)	(16)	180	—
Net gain from sales of assets	(89)	(135)	(45)
Net losses from unrealized mark-to-market valuations of commodity contracts.....	18	109	100
Net litigation settlement charge.....	—	84	—
Bad debt expense	56	90	119
Stock-based compensation expense	32	56	25
Amortization of losses on dedesignated cash flow hedges	20	26	28
Amortization of gain on dedesignated fair value hedges	(10)	(15)	(21)
Charge for contract counterparty nonperformance.....	12	—	—
Net equity (income) loss from unconsolidated affiliates and joint ventures	—	(1)	17
Change in regulatory-related liabilities	(81)	(70)	(144)
Changes in operating assets and liabilities:			
Accounts receivable - trade.....	(335)	(246)	173
Impact of accounts receivable sales program	197	(73)	100
Inventories.....	(55)	15	(46)
Accounts payable - trade.....	(47)	223	(40)
Commodity contract assets and liabilities	76	(5)	24
Cash flow hedge and other derivative assets and liabilities	(9)	(22)	83
Margin deposits - net	61	34	25
Other — net assets	35	(165)	364
Other — net liabilities.....	(175)	165	334
Cash provided by operating activities.....	<u>2,793</u>	<u>1,758</u>	<u>2,413</u>
Cash flows — financing activities:			
Issuances of securities:			
Long-term debt.....	180	5,090	2,846
Common stock	83	112	23
Retirements/repurchases of securities:			
Long-term debt held by subsidiary trusts	—	(546)	—
Equity-linked debt securities.....	(106)	(1,105)	—
Other long-term debt	(269)	(3,088)	(2,187)
Exchangeable preferred membership interests	—	(750)	—
Preference stock	(300)	—	—
Preferred securities of subsidiaries	(38)	(75)	(98)
Common stock	(1,137)	(4,687)	—
Change in notes payable:			
Commercial paper.....	358	—	—
Banks	230	210	(2,305)
Cash dividends paid:			
Common stock	(544)	(150)	(160)
Preference stock.....	(11)	(22)	(22)
Premium paid for redemption of exchangeable preferred membership interests.....	—	(1,102)	—
Redemption deposits applied to debt retirements	—	—	210
Excess tax benefit on stock-based compensation	28	—	—
Debt premium, discount, financing and reacquisition expenses	(37)	(406)	(38)
Cash used in financing activities.....	<u>\$ (1,563)</u>	<u>\$ (6,519)</u>	<u>\$ (1,731)</u>

TXU CORP. AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS (cont.)

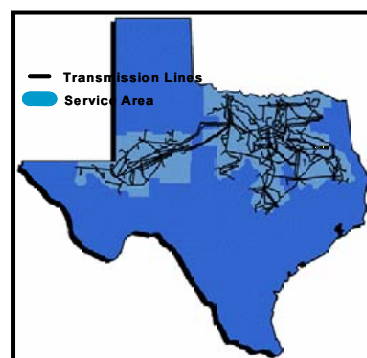
	Year Ended December 31,		
	2005	2004	2003
	(millions of dollars)		
Cash flows — investing activities:			
Capital expenditures	\$ (1,047)	\$ (912)	\$ (721)
Nuclear fuel	(57)	(87)	(44)
Dispositions of businesses	—	4,814	14
Acquisition of telecommunications partner's interest	—	—	(150)
Proceeds from sales of assets	70	27	10
Change in collateral trust	—	525	(525)
Proceeds from sales of nuclear decommissioning trust fund securities	191	88	251
Investments in nuclear decommissioning trust fund securities	(206)	(103)	(266)
Other, including transaction costs	(11)	(72)	31
Cash provided by (used in) investing activities	<u>(1,038)</u>	<u>4,280</u>	<u>(1,400)</u>
Discontinued operations:			
Cash provided by (used in) operating activities	(265)	(79)	338
Cash provided by (used in) financing activities	—	(10)	97
Cash provided by (used in) investing activities	4	(153)	(409)
Effect of exchange rate changes	—	—	8
Cash provided by (used in) discontinued operations	<u>(261)</u>	<u>(242)</u>	<u>34</u>
Net change in cash and cash equivalents	(69)	(723)	(684)
Cash and cash equivalents — beginning balance	<u>106</u>	<u>829</u>	<u>1,513</u>
Cash and cash equivalents — ending balance	<u>\$ 37</u>	<u>\$ 106</u>	<u>\$ 829</u>

**TXU CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2005	2004
	(millions of dollars)	
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 37	\$ 106
Restricted cash	54	49
Accounts receivable — trade.....	1,328	1,274
Income taxes receivable.....	14	16
Inventories	364	320
Commodity contract assets	1,603	546
Cash flow hedge and other derivative assets	65	4
Accumulated deferred income taxes.....	717	181
Margin deposits related to commodity positions.....	247	65
Other current assets.....	129	184
Total current assets.....	<u>4,558</u>	<u>2,745</u>
Investments:		
Restricted cash	16	47
Other investments.....	643	664
Property, plant and equipment — net	17,192	16,676
Goodwill.....	542	542
Regulatory assets — net.....	1,826	1,891
Commodity contract assets	338	315
Cash flow hedge and other derivative assets	75	2
Other noncurrent assets.....	349	283
Assets held for sale	—	24
Total assets	<u>\$25,539</u>	<u>\$23,189</u>
LIABILITIES, PREFERRED SECURITIES OF SUBSIDIARIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Notes payable:		
Commercial paper	\$ 358	\$ —
Banks	440	210
Long-term debt due currently	1,250	229
Accounts payable — trade.....	1,026	1,077
Commodity contract liabilities.....	1,481	491
Cash flow hedge and other derivative liabilities.....	275	113
Litigation and other settlement accruals.....	12	391
Margin deposits related to commodity positions.....	357	115
Other current liabilities	1,151	1,202
Total current liabilities	<u>6,350</u>	<u>3,828</u>
Accumulated deferred income taxes.....	3,697	2,670
Investment tax credits	384	405
Commodity contract liabilities.....	516	347
Cash flow hedge and other derivative liabilities	91	83
All other long-term debt, less amounts due currently.....	11,332	12,412
Other noncurrent liabilities and deferred credits	2,694	2,761
Liabilities held for sale	—	6
Total liabilities.....	25,064	22,512
Preferred securities of subsidiaries	—	38
Contingencies		
Shareholders' equity	475	639
Total liabilities, preferred securities of subsidiaries and shareholders' equity	<u>\$25,539</u>	<u>\$23,189</u>

TXU ELECTRIC DELIVERY

TXU Electric Delivery¹ consists of regulated electricity transmission and distribution operations in Texas. TXU Electric Delivery provides the essential service of delivering electricity safely, reliably, and economically to over three million electric delivery points. It is the largest electric transmission and distribution business in the state and the sixth largest in the nation. TXU Electric Delivery owns and operates more than 100,000 miles of electric distribution lines and over 14,000 miles of electric transmission lines. The operating assets are located principally in the north-central, eastern and western parts of Texas. TXU Electric Delivery operates within the Electric Reliability Council of Texas (ERCOT) system and is regulated by the Public Utility Commission of Texas (PUC). ERCOT is an intrastate network of investor-owned entities, cooperatives, public entities, nonutility generators and power marketers. ERCOT is the regional reliability coordinating organization for member electricity systems in Texas, is the Independent System Operator of the interconnected transmission system of those systems, and is responsible for ensuring equal access to transmission service by all wholesale market participants in the ERCOT region.



TXU Electric Delivery operates within the Electric Reliability Council of Texas (ERCOT) system and is regulated by the Public Utility Commission of Texas (PUC). ERCOT is an intrastate network of investor-owned entities, cooperatives, public entities, nonutility generators and power marketers. ERCOT is the regional reliability coordinating organization for member electricity systems in Texas, is the Independent System Operator of the interconnected transmission system of those systems, and is responsible for ensuring equal access to transmission service by all wholesale market participants in the ERCOT region.

Description of TXU Electric Delivery Business Strategy

TXU Electric Delivery's goal is to further utilize the TXU Operating System² to achieve top decile costs, service levels and network reliability through efficient capital and technology deployment and business operations. TXU Electric Delivery intends to invest in its infrastructure in order to achieve top decile reliability before the end of the decade. In its core service territory, TXU Electric Delivery is redesigning the model that it uses for network and technology investments, driving standardization and significantly enhanced efficiency. Leveraging this capability, TXU Electric Delivery expects to ramp up its investments in the transmission and distribution network and in new technologies such as automated meter reading and remote system monitoring, which will be facilitated with the planned use of new technologies. Capital investment is expected to average more than \$800 million per year over the next five years, an increase of more than 72 percent relative to the 1995 to 2004 average. This expanded program is expected to drive down congestion costs, enhance network integrity and redefine reliability and customer service standards in North Texas by the end of the decade. TXU Electric Delivery also intends to seek opportunities to scale its operating advantage and technology program regionally, looking to achieve operating efficiencies, leverage its asset management capabilities over a larger grid and drive a coordinated technology and infrastructure investment program to improve reliability. TXU Electric Delivery believes that the sector's infrastructure and technology investment needs are going to increase significantly over the coming years both regionally and nationally. TXU Electric Delivery believes it is well-positioned to participate in this build-out on a broader basis as a highly capable operator that knows how to coordinate and manage large-scale investment programs.

Selected Financial Metrics

For years ended December 31, 2001 – 2005; \$ millions, percent

Metric	2005	2004	2003	2002	2001 ³
Total operating revenues	2,394	2,226	2,087	1,994	2,314
Total operating expenses	1,805	1,697	1,565	1,517	1,820
Net income before extraordinary items ⁴	351	255	258	245	228
Property, plant & equipment – net	7,067	6,609	6,333	6,056	5,802
Capital expenditures	733	600	543	513	635
Capitalization ratios					
Long-term debt, less amounts due currently	58.3%	61.0%	58.2%	60.6%	54.9%
Shareholder's equity	41.7%	39.0%	41.8%	39.4%	45.1%
Capitalization ratios (without transition bonds) ⁵					
Long-term debt, less amounts due currently	50.8%	53.0%	55.1%	60.6%	54.9%
Shareholder's equity	49.2%	47.0%	44.9%	39.4%	45.1%

¹ TXU Electric Delivery operated under the name 'Oncor Electric Delivery' during 2003 and 2002.

² TXU's program to drive productivity improvements through deployment of an industrial skill set

³ 2001 financial data is derived from TXU Corp.'s historical financial information unbundled to reflect comparable amounts prior to TXU Electric Delivery's existence as a separate entity, January 1, 2002.

⁴ Before extraordinary items and cumulative effect of changes in accounting principles

⁵ Excludes securitization bonds issued in 2003 and 2004 because such bonds are serviced by transition charges and excluded from debt in credit analyses and for regulatory rate proceedings.

TXU ELECTRIC DELIVERY

Regulatory Environment

TXU Electric Delivery is subject to regulation by Texas authorities. TXU Electric Delivery provides delivery services to Retail Electric Providers (REPs) who sell electricity to retail customers; consequently, the electric delivery business has no commodity supply or price risk. TXU Electric Delivery believes that it operates in a favorable regulatory environment, as evidenced by a regulatory provision that allows annual updates of transmission rates to reflect changes in invested capital. This provision encourages investment in the transmission system to help ensure reliability and efficiency by allowing for timely recovery and return on new transmission investments. There are similar provisions for timely recovery and return on new automated meter reading investments.

Authorized Return and Rate Base

TXU Electric Delivery has an authorized return on equity of 11.25%. For the period ending December 31, 2005, TXU Electric Delivery's Adjusted Total Invested Capital¹ is approximately \$6.150 billion as compared to 2004 Adjusted Total Invested Capital of \$5.629 billion.

Rate Settlements - Regulatory Certainty

In 2004, certain cities within TXU Corp.'s historical service territory, acting in their role as a regulatory authority (with original jurisdiction), initiated inquiries to determine if the rates of TXU Electric Delivery, which have been established by the PUC, are just and reasonable. Twenty-three cities passed such resolutions (and eleven passed resolutions supporting the other cities). TXU Electric Delivery entered into an agreement with a steering committee representing these and certain other cities in Texas (Cities), finalized in February 2005, under which TXU Electric Delivery agreed to file a rate case in 2006 and make settlement payments to all cities served of approximately \$21 million. TXU Electric Delivery recorded a charge of this amount in the fourth quarter of 2004. The final settlement amount, including payments to non-litigant cities, totaled \$22.3 million resulting in an additional charge of approximately \$1 million in 2005. Through December 31, 2005, TXU Electric Delivery has made payments of approximately \$11.6 million under the terms of the settlement and will make additional payments of \$10.7 million in 2006.

In January 2006, TXU Electric Delivery agreed with the Cities to defer the filing of a system-wide rate case with the PUC to no later than June 30, 2008 (based on a test year ending December 31, 2007), unless the Cities and TXU Electric Delivery mutually agree that such a filing is unnecessary. The agreement requires payments to all cities served of approximately \$80 million, including incremental franchise fees. The terms of the agreement include:

- approximately \$40 million in cash payments to the Cities from January 2006 through mid-2009;
- an estimated \$28 million aggregate increase in future franchise fee payments to all cities in its service territory over the period from January 2006 through mid-2009; and
- an estimated \$12 million in cash payments to extend the benefits of the agreement to the other cities it serves.

Essentially all of this amount will be recognized ratably in earnings over the period from July 2006 through June 2008. Payments under the agreement are expected to be made until new tariffs are effective, which based upon an assumed June 2008 rate case filing, is projected to be mid-2009. Payments under the agreement will total approximately \$17 million in 2006, \$30 million in 2007, \$21 million in 2008 and \$12 million in 2009.

¹ Adjusted Total Invested Capital = Total Invested Capital – (Construction Work in Progress + Plant Held for Future Use)

TXU ELECTRIC DELIVERY

Service Performance Statistics

TXU Electric Delivery finished 2005 as the best performing transmission and distribution service provider (TDSP) by performing at or above market average in 6 out of 7 key ERCOT service categories. In 2005, TXU Electric Delivery had 49% of the total ERCOT market transactions.

Service Performance Statistics

For the year ended 12/31/05; Percent

Service Category	ERCOT Report Market Average	TXU Electric Delivery
Scheduling of switches	99.85%	99.97%
Scheduling of move-ins	99.08%	99.95%
On schedule completion of switches	86.98%	98.40%
On schedule completion of move-ins	87.87%	92.20%
Providing historical usage	98.90%	97.40%
Loading of IDR metering data	99.54%	99.80%
Loading of NIDR metering data	99.77%	99.80%

Electricity Distribution

TXU Electric Delivery's distribution business is responsible for the overall safe and efficient operation of distribution facilities including power delivery, power quality and system reliability. The electricity distribution business consists of the ownership, management, construction, maintenance, and operation of the distribution system within TXU Electric Delivery's certificated service area. Over the past five years, the number of TXU Electric Delivery's distribution system points of delivery served has been growing at an average rate of 2% per year. TXU's distribution system receives electricity from the transmission system through substations and distributes electricity to end users and wholesale customers through 2,977 distribution feeders.

Distribution Facts

As of December 31, 2001 – 2005; Mixed measures

Item	2005	2004	2003	2002	2001
Electricity points of delivery (end of period - 000s)	3,013	2,971	2,932	2,909	2,844
Electric energy delivered (GWh) ¹	106,780	101,928	101,810	102,481	99,139
Transformer capacity (MVA) ²	50,766	49,462	47,991	46,722	45,503
Circuit miles of line	100,868	99,638	98,286	96,847	95,793
Count of load serving substations	790	785	780	776	774
Distribution feeders	2,977	2,943	2,914	2,884	2,867

Electric Transmission

TXU Electric Delivery's electricity transmission business is responsible for the safe and reliable operation of its transmission network and substations. These responsibilities consist of the construction and maintenance of transmission facilities and substations and the monitoring, controlling and dispatching of high-voltage electricity over TXU Electric Delivery's transmission facilities in coordination with ERCOT. The transmission business participates with ERCOT and other member utilities to plan, design, construct, and operate new transmission lines, with regulatory approval, necessary to maintain reliability, interconnect to merchant power plants, increase bulk power transfer capability, and minimize limitations and constraints on the ERCOT transmission grid.

Transmission Facts

As of December 31, 2001 – 2005; Mixed measures

Item	2005	2004	2003	2002	2001
Transformer capacity (MVA)	77,771	75,533	70,890	68,385	68,089
Circuit miles of line	14,354	14,191	14,180	14,137	14,010
Substations, switching stations and plant switchyards	954	950	950	946	941
Transmission circuit breakers	5,932	5,825	5,749	5,633	5,569
Interconnection to generation facilities	41	40	43	41	38
Interconnection to other transmission providers	254	248	241	200	217

¹ Gigawatt-hours

² Megavolt amperes is a measure of transformer capacity.

TXU ELECTRIC DELIVERY

Key Operational Metrics

For years ended December 31, 2001 – 2005; Mixed measures

Metric	2005	2004	2003	2002	2001
Non-storm SAIDI (minutes) ¹	76.79	75.51	74.15	90.36	81.77
Non-storm SAIFI (frequency) ¹	1.17	1.10	1.17	1.39	1.23
Non-storm CAIDI (minutes) ¹	65.60	68.75	63.30	64.81	66.48
Meter reading accuracy	99.93%	99.91%	99.89%	99.92%	99.91%
DART incident rate	1.24	1.96	1.73	1.87	2.35

Transmission Cost of Service (TCOS) and Transmission Cost Recovery Factor (TCRF)

ERCOT transmission service providers (TSPs) recover their TCOS through a network transmission service rate approved by the PUC. ERCOT TSPs bill their wholesale network transmission service charges to ERCOT distribution utilities by applying their approved wholesale transmission rates to the distribution utilities' average loads for the prior summer². Distribution utilities are billed for wholesale transmission service by all ERCOT TSPs. Distribution utilities³ recover these transmission fees by billing the REPs a base retail transmission charge. In the Unbundled Cost of Service (UCOS) cases, the distribution utilities established base retail transmission charges by rate class. These rates are in addition to the base retail distribution system wires charges and other non-bypassable charges that are billed to REPs.

The PUC also approved a Distribution Service Provider TCRF rule that allows distribution service providers to pass through wholesale transmission rate increases without the need for a distribution utility rate case. The TCRF rule allows distribution utilities to update the TCRF on March 1 and September 1 each year. The TCRF charges are billed in addition to the base retail transmission wires charges.

Wire Rate Charges

As shown in the chart below, TXU Electric Delivery has the lowest basic wires rate in the State of Texas.

Operational Wires Rates Comparison – Residential with TCRF Factors As of March 1, 2006

Charge	TXU	CenterPoint	AEP Central	AEP North	TNMP
Customer charge	\$2.74/cust/month	\$2.39/cust/month	\$2.06/cust/month	\$4.58/cust/month	\$0.33/cust/month
Metering charge	\$2.21/cust/month	\$1.91/cust/month	\$3.20/cust/month	\$4.78/cust/month	\$3.58/cust/month
Subtotal, fixed charges	\$4.95/cust/month	\$4.30/cust/month	\$5.26/cust/month	\$9.36/cust/month	\$3.91/cust/month
Distribution system charge	\$0.014070/kWh	\$0.018816/kWh	\$0.014908/kWh	\$0.019863/kWh	\$0.017291/kWh
Transmission system charge	\$0.004493/kWh	\$0.004310/kWh	\$0.004131/kWh	\$0.004638/kWh	\$0.004150/kWh
Transmission cost recovery factor as of 3/01/06	\$0.000764/kWh	\$0.000730/kWh	\$0.000331/kWh	\$0.000718/kWh	\$0.000805/kWh
Subtotal, basic wires charges	\$0.019327/kWh	\$0.023856/kWh	\$0.019370/kWh	\$0.025219/kWh	\$0.022246/kWh
Other:					
Merger savings/rate reduction (per kWh)	n/a	n/a	\$(0.000910)/kWh	\$(0.001382)/kWh	\$(0.001993)/kWh
Merger savings/rate reduction (per customer)	n/a	n/a	\$(0.25)/cust/month	\$(0.53)/cust/month	\$(1.00)/cust/month
Customer charge and wires charge (no non-bypassable charges) for 1,000 kWh	\$24.28	\$28.16	\$23.47	\$32.67	\$23.16
Customer charge and wires charge (no non-bypassable charges) for 1,300 kWh	\$30.08	\$35.31	\$29.01	\$39.82	\$29.24
Non-bypassable charges:					
System benefit fund	\$0.000655/kWh	\$0.000655/kWh	\$0.000662/kWh	\$0.000660/kWh	\$0.000654/kWh
Nuclear decommissioning charge	\$0.000169/kWh	\$0.000054/kWh	\$0.000438/kWh	n/a	n/a
Transition charge	\$0.001556/kWh	\$0.004061/kWh	\$0.004521/kWh	n/a	n/a
Excess mitigation credit	Expired 12/31/03	Expired 4/30/05	None per Dkt. 31056	n/a	n/a
Competition transition charge	n/a	\$0.000666/kWh	n/a	n/a	n/a
Rate case surcharge	n/a	\$0.000134/kWh	n/a	n/a	n/a
Total wires charge for 1,000 kWh	\$26.66	\$33.73	\$29.09	\$33.33	\$23.82
Total wires charge for 1,300 kWh⁴	\$33.17	\$42.55	\$36.32	\$40.68	\$30.09

¹ Based on all outages greater than one minute in duration

² The load for a distribution utility is the average demand at the time of the ERCOT peak for the months of June, July, August, and September.

³ Investor Owned Utilities (IOU's) and other entities serving areas participating in customer choice

⁴ TXU Electric Delivery's average residential consumption for 2005 was approximately 1,300 kWh per month.

TXU ENERGY HOLDINGS

TXU Energy Holdings provides electricity and related services to 2.3 million retail electricity customers in Texas, more customers than any other REP in the state. TXU Energy Holdings owns or leases over 18,300 MW of generation in Texas including 2,300 MW of nuclear and 5,837 MW of lignite/coal-fired generation capacity. TXU Energy Holdings also engages in wholesale power and natural gas market activities.

Description of TXU Energy Holdings Business Strategy

The goal of TXU Energy Holdings' generation operations is to further implement the TXU Operating System, operate safely and become the most productive and lowest-cost operator of solid fuel plants in the US. Early last year, TXU Energy Holdings launched the TXU Operating System to capture opportunities to drive lean operations throughout its lignite/coal-fired generation and lignite mining operations. TXU Power believes that the initial execution of this program has helped it further enhance an advantaged lignite/coal-fired generation operating capability. TXU Power intends to strive for continuous productivity improvements in its core business, targeting top quartile cost levels within three years and ongoing production improvements. TXU Power intends to also leverage the TXU Operating System to pursue certain attractive growth opportunities. TXU Power plans to add needed capacity and enhance the market's fuel diversity by taking advantage of what it believes to be advantaged sites, such as the Oak Grove and Sandow projects in Texas, to build new lignite/coal-fired generation facilities. TXU Energy Holdings filed for an air permit for the 1,720 megawatt Oak Grove lignite/coal-fired power plant and is working with potential investors and counterparties to advance this development quickly and cost effectively. In addition, TXU Energy Holdings signed a letter of intent for the development of a new 600 MW lignite/coal-fired unit adjacent to the site of TXU Power's current Sandow generation plant. Capital investment related to the new generation facilities is expected to be approximately \$2.6 billion over the next three to five years. TXU Power also intends to pursue growth by applying TXU Operating System capabilities on a broader set of assets through transactions with other coal-fired generation plant owners. TXU Power believes that no company in the US coal-fired generation sector has established a national position leveraging a systematic operating advantage. TXU Power has completed a comprehensive screening process of all US lignite/coal-fired generation plants, identifying a large set that it believes would benefit significantly from the application of TXU Power's operating skills. Over the next five years, TXU Power's goal is to drive value by doubling the size of its coal-fired generation fleet, building a national solid fuel generation company with quality scale in multiple markets.

TXU Energy Holdings' retail sales operation has developed a strategy to improve profitability in Texas and monitor potential opportunities to expand in other regions if and when those develop. To respond to the unpredictability of wholesale power prices, TXU Energy plans to improve performance through ongoing cost leadership, innovative product and service offerings and excellence in customer service to distinguish TXU Energy from its competitors. In 2005, TXU Energy rolled out several innovative products, including a plan that allows customers to fix their electricity price for all of 2006, as well as a longer-term price guarantee product, products that offer a specified savings versus a benchmark rate, average billing and whole house surge protection.

TXU Energy Holdings' wholesale operations will continue to play a pivotal role in supporting TXU Power and TXU Energy while striving for market leadership and excellence in optimizing the performance of the generation assets and sourcing power for the retail operations. TXU Wholesale also monitors and manages TXU Energy Holdings' commodity price exposure, consistent with TXU Corp.'s overall risk management philosophy, and engages in other market activities as described below.

As part of its overall risk management philosophy, TXU Wholesale manages commodity price exposure across the complementary generation and retail businesses. Under this approach management considers the retail residential and business load to represent a near-term hedge to baseload generation that will be supplemented by market transactions to manage TXU Energy Holdings' exposure to natural gas prices and market heat rate changes. Managing exposure to natural gas prices and market heat rates is expected to help preserve the economic value of the generation and retail businesses.

TXU ENERGY HOLDINGS

Financial and Operating Data

For the years ended December 31, 2002 – 2005; \$ millions, unless otherwise noted

Statistic	2005	2004	2003	2002
Electricity sales – volumes (GWh)				
Retail	58,176	70,291	79,922	90,581
Wholesale	52,001	48,309	36,809	29,353
Total electricity sales	110,177	118,600	116,731	119,934
Production and purchased power (GWh)				
Nuclear and lignite/coal generation (baseload)	62,376	61,318	59,028	54,738
Gas/oil generation	3,504	4,726	13,250	19,572
Purchased power	46,133	56,007	49,915	50,546
Total energy supply	112,013	122,051	122,193	124,856
Line loss and other	1,836	3,451	5,462	4,922
Net energy supply	110,177	118,600	116,731	119,934
Operating revenues				
Retail electricity revenues	\$6,330	\$6,370	\$6,484	\$6,523
Wholesale electricity revenues	2,807	1,886	1,258	841
Hedging and risk management activities	(164)	(103)	30	147
Other revenues	354	342	214	167
Total operating revenues	\$9,327	\$8,495	\$7,986	\$7,678
Income from continuing operations ¹	\$1,430	\$408	\$497	\$322
Property, plant and equipment – net (end of year)	\$9,958	\$9,920	\$10,345	\$10,341
Capital expenditures	\$309	\$281	\$163	\$284
Capitalization ratios – end of year (percent):				
Long-term debt, less amounts due currently	38.5%	44.0%	40.7%	35.8%
Exchangeable preferred membership interests ²	6.7%	7.0%	6.6%	-
Membership interests	54.8%	49.0%	52.7%	64.2%

¹ Before extraordinary items and cumulative effect of changes in accounting principles

² Net of discount

TXU POWER

TXU Power's generating facilities provide the capability to supply a significant portion of the wholesale electricity market demand in Texas, particularly in the North Texas market, at competitive production costs. The generating fleet consists of 19 owned or leased plants with generating capacity fueled as follows: 2,300 MW nuclear; 5,837 MW lignite/coal; and 10,228 MW natural gas/oil.

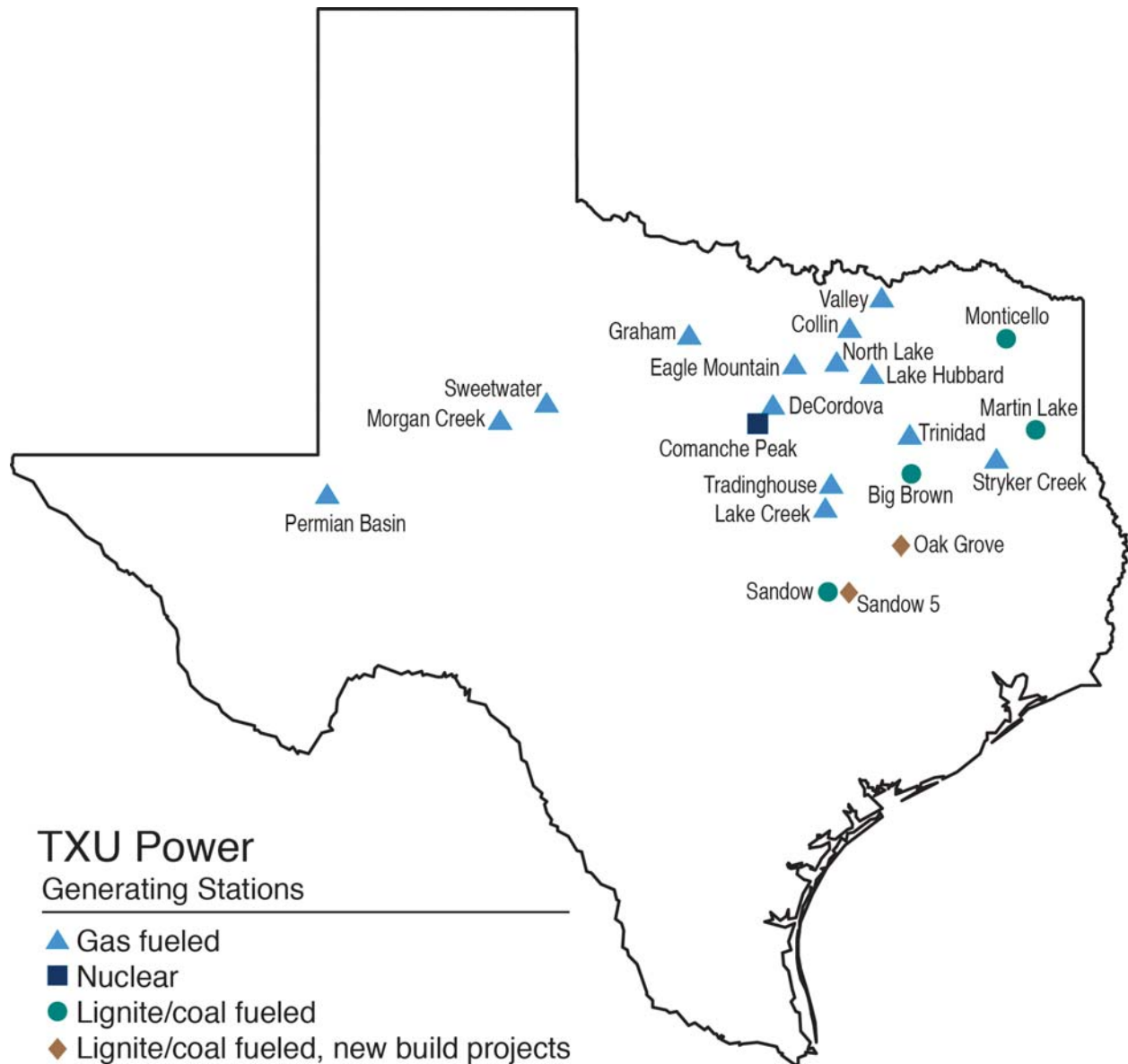
Generating Plant Facts

As of 12/31/05; Mixed measures

Fact	Nuclear	Lignite/Coal	Gas/Oil	Total
Number of generating units (excl diesel units)	2	9	45	56
2005 installed capacity (MWs)	2,300	5,837	10,228	18,365
Annual generation (3 year average MWhs)	18,415,062	44,422,615	7,113,036	69,950,713

Generating Plant Locations

As of 12/31/05



TXU POWER

Unit Statistics and Information As of 12/31/05; MW

Plant	Unit	Fuel type	Type	Year in Service ¹	County	Installed Capacity
Comanche Peak	1	Nuclear	Base load	1990	Somervell	1,150
Comanche Peak	2	Nuclear	Base load	1993	Somervell	1,150
Subtotal						2,300
Big Brown	1	Lignite/Coal	Base load	1971	Freestone	575
Big Brown	2	Lignite/Coal	Base load	1972	Freestone	575
Monticello	1	Lignite/Coal	Base load	1974	Titus	565
Monticello	2	Lignite/Coal	Base load	1975	Titus	565
Monticello	3	Lignite/Coal	Base load	1978	Titus	750
Martin Lake	1	Lignite/Coal	Base load	1977	Rusk	750
Martin Lake	2	Lignite/Coal	Base load	1978	Rusk	750
Martin Lake	3	Lignite/Coal	Base load	1979	Rusk	750
Sandow	4	Lignite/Coal	Base load	1981	Milam	557
Subtotal						5,837
Collin (M)	1	Gas/Oil	Gas - Cycling	1955	Collin	153
DeCordova	1	Gas/Oil	Gas - Intermediate	1975	Hood	818
DeCordova 4 CTs ² (PPA)		Gas/Oil	Gas - Peaking	1990	Hood	260
Eagle Mountain (M)	1	Gas/Oil	Gas - Cycling	1954	Tarrant	115
Eagle Mountain (M)	2	Gas/Oil	Gas - Cycling	1956	Tarrant	175
Eagle Mountain (M)	3	Gas/Oil	Gas - Cycling	1971	Tarrant	375
Graham	1	Gas/Oil	Gas - Cycling	1960	Young	240
Graham	2	Gas/Oil	Gas - Intermediate	1969	Young	390
Lake Creek	1	Gas/Oil	Gas - Cycling	1953	McLennan	87
Lake Creek	2	Gas/Oil	Gas - Cycling	1959	McLennan	230
Lake Hubbard	1	Gas/Oil	Gas - Cycling	1970	Dallas	393
Lake Hubbard	2	Gas/Oil	Gas - Intermediate	1973	Dallas	528
Morgan Creek (M)	5	Gas/Oil	Gas - Cycling	1959	Mitchell	175
Morgan Creek (M)	6	Gas/Oil	Gas - Intermediate	1966	Mitchell	511
Morgan Creek 6 CTs ²		Gas/Oil	Gas - Peaking	1988	Mitchell	390
North Lake (M)	1	Gas/Oil	Gas - Cycling	1959	Dallas	175
North Lake (M)	2	Gas/Oil	Gas - Cycling	1961	Dallas	175
North Lake (M)	3	Gas/Oil	Gas - Cycling	1964	Dallas	365
Permian Basin	5	Gas/Oil	Gas - Cycling	1959	Ward	115
Permian Basin	6	Gas/Oil	Gas - Intermediate	1973	Ward	540
Permian Basin 5 CTs ² (PPA)		Gas/Oil	Gas - Peaking	1990	Ward	325
Stryker Creek	1	Gas/Oil	Gas - Cycling	1958	Cherokee	175
Stryker Creek	2	Gas/Oil	Gas - Intermediate	1965	Cherokee	500
Tradinghouse	1	Gas/Oil	Gas - Intermediate	1970	McLennan	565
Tradinghouse	2	Gas/Oil	Gas - Intermediate	1972	McLennan	818
Valley (M)	1	Gas/Oil	Gas - Cycling	1962	Fannin	175
Valley (M)	2	Gas/Oil	Gas - Intermediate	1967	Fannin	550
Valley (M)	3	Gas/Oil	Gas - Cycling	1971	Fannin	390
Trinidad	6	Gas/Oil	Gas - Cycling	1965	Henderson	240
Sweetwater	4	Gas/Oil	Gas - Cycling	1989	Nolan	85
Sweetwater 3 CTs ²		Gas/Oil	Gas - Peaking	1989	Nolan	175
Diesels ³						20
Subtotal						10,228
Total						18,365

(M) – Mothballed

(PPA) - Combustion turbine capacity/generation is under a purchase power agreement

¹ Average useful lives: nuclear (60 years), lignite/coal (60 years), gas/oil (51 years), gas combustion turbines (27 years)

² CT – Combustion turbine

³ Diesels are located at Lake Creek (3), Stryker Creek (5) and Trinidad (2).

TXU POWER

Nuclear Plant Statistics

As of 12/31/05; Mixed measures

Item	CPSES ¹ Unit 1	CPSES ¹ Unit 2
Commercial operation date	August 1990	August 1993
License expiration date	February 2030	February 2033
Architect/engineer	Gibbs & Hill	Gibbs & Hill
Reactor manufacturer	Westinghouse	Westinghouse
Reactor type	PWR	PWR
Turbine generator manufacturer	Siemens	Siemens
Maximum dependable capacity (MW)	1,150	1,150
Refueling data:		
Last date – started	October 8, 2005	March 26, 2005
# of days	30	32
Next scheduled refueling	Spring 2007	Fall 2006

¹ Comanche Peak Steam Electric Station

TXU POWER

Net Generation

For years ended December 31, 2001 – 2005; MWh¹

Plant	Unit	2005	2004	2003	2002	2001
Comanche Peak	1	9,217,834	9,013,792	9,625,953	7,785,265	8,444,318
Comanche Peak	2	9,225,366	10,038,851	8,123,390	8,793,819	9,877,947
Subtotal		18,443,200	19,052,643	17,749,343	16,579,084	18,322,265
Big Brown	1	4,549,360	3,837,349	4,587,394	4,362,128	3,733,166
Big Brown	2	3,999,724	4,464,491	3,875,181	3,558,722	3,539,669
Monticello	1	4,236,608	4,305,393	4,134,558	3,711,998	3,646,758
Monticello	2	4,429,529	4,465,894	3,704,847	4,030,192	4,024,631
Monticello	3	6,141,344	5,277,059	5,666,922	5,385,687	4,904,882
Martin Lake	1	6,132,863	5,958,153	4,847,711	5,148,997	5,104,000
Martin Lake	2	6,323,968	5,339,493	5,781,564	5,079,555	4,812,971
Martin Lake	3	5,793,358	5,941,004	5,855,120	4,596,454	5,305,204
Sandow	4	4,303,896	4,527,603	4,787,459	3,943,323	4,434,912
Subtotal		45,910,650	44,116,439	43,240,756	39,817,056	39,506,193
Collin (M)	1	(644)	(1,217)	98,879	74,572	191,886
DeCordova	1	240,165	206,385	1,414,916	2,974,511	3,338,979
DeCordova 4 CTs (PPA)		80,787	97,164	54,144	68,125	102,052
Eagle Mountain (M)	1	(1,488)	20,071	57,865	101,874	74,725
Eagle Mountain(M)	2	(1,261)	23,719	79,830	193,175	197,646
Eagle Mountain (M)	3	19,790	208,557	479,676	526,756	317,572
Graham	1	89,109	117,645	186,907	564,898	452,737
Graham	2	364,700	396,060	575,707	651,729	803,227
Lake Creek	1	99	(2,223)	1,858	29,460	64,960
Lake Creek	2	65,739	69,041	83,025	281,967	472,369
Lake Hubbard	1	183,110	129,333	400,926	414,224	462,944
Lake Hubbard	2	403,100	576,784	1,235,607	1,270,631	1,584,785
Morgan Creek (R)	2	(766)	(347)	(1,561)	(1,478)	1,492
Morgan Creek (R)	3	(177)	(177)	(626)	(719)	3,812
Morgan Creek (R)	4	(418)	(418)	(1,569)	6,343	37,413
Morgan Creek (M)	5	(766)	39,166	121,329	232,540	365,920
Morgan Creek (M)	6	(3,047)	42,720	629,540	842,029	1,979,522
Morgan Creek 6 CTs		119,085	80,773	38,492	43,183	68,387
North Lake(M)	1	(2,118)	83,889	226,630	352,048	339,274
North Lake (M)	2	(1,512)	89,555	167,805	309,276	378,195
North Lake (M)	3	(1,629)	340,276	479,022	610,546	608,939
North Main (R)	4	–	(181)	(832)	56,863	14,775
Parkdale (R)	1	–	(285)	12,203	62,470	50,900
Parkdale (R)	2	–	(169)	21,096	99,219	81,301
Parkdale (R)	3	–	(195)	30,029	124,749	120,699
Permian Basin	5	20,420	17,241	40,019	95,770	221,266
Permian Basin	6	653,465	904,003	1,802,737	2,136,339	2,367,173
Permian Basin 5 CTs (PPA)		111,397	72,416	35,266	31,412	62,367
River Crest (R)	6	–	(140)	(833)	(584)	8,348
Stryker Creek	1	18,502	3,820	72,005	56,704	312,232
Stryker Creek	2	462,506	506,676	1,019,363	1,058,502	1,417,285
Tradinghouse	1	121,945	121,069	552,739	1,483,468	1,520,938
Tradinghouse	2	303,851	186,958	1,548,337	1,578,856	3,568,742
Valley (M)	1	(331)	5,851	141,253	192,241	327,436
Valley (M)	2	(2,884)	(989)	325,731	1,236,428	1,668,866
Valley (M)	3	(1,895)	823	95,422	199,461	366,490
Trinidad	6	40,641	45,330	144,262	218,517	415,436
Sweetwater	4	74,893	76,293	244,802	153,002	–
Sweetwater CT	1	31,827	44,560	65,316	85,440	–
Sweetwater CT	2	92,272	92,595	290,888	39,504	–
Sweetwater CT	3	86,387	81,478	330,777	279,435	–
Subtotal		3,566,215	4,673,910	13,098,982	18,733,486	24,371,090
Total		67,920,065	67,842,992	74,089,081	75,129,626	82,199,548

Note: Excludes Handley and Mountain Creek units sold in 2002.

(R) Retired during 2004

(M) Mothballed

(PPA) Combustion turbine capacity/generation is under a purchase power agreement.

¹ Based on Generating Availability Data System (GADS), an industry standard of measuring and quantifying generating plant performance

TXU POWER

Unit Capacity Factors

For years ended December 31, 2001 – 2005; Percent

Plant	Unit	2005	2004	2003	2002	2001
Comanche Peak	1	91.5	89.2	95.6	77.2	83.8
Comanche Peak	2	91.6	99.4	80.6	87.2	98.1
Big Brown	1	87.3	76.0	91.1	86.6	74.1
Big Brown	2	76.7	88.4	76.9	70.7	70.3
Monticello	1	84.1	86.8	83.5	75.0	73.7
Monticello	2	87.9	90.0	74.9	81.4	81.3
Monticello	3	89.3	80.1	86.3	82.0	74.7
Martin Lake	1	87.5	90.4	73.8	78.4	77.7
Martin Lake	2	90.2	81.0	88.0	77.3	73.3
Martin Lake	3	83.2	90.2	89.1	70.0	80.7
Sandow	4	86.3	94.6	100.3	82.6	92.9
Collin (M)	1	-	-	7.4	5.6	14.3
DeCordova	1	3.4	2.9	19.7	41.5	46.6
Decordova 4 CTs (PPA)		2.9	3.5	1.9	2.4	3.6
Eagle Mountain (M)	1	-	2.0	5.7	10.1	7.4
Eagle Mountain (M)	2	-	1.5	5.2	12.6	12.9
Eagle Mountain (M)	3	0.6	6.3	14.6	16.0	9.7
Graham	1	4.2	5.6	8.9	26.9	21.5
Graham	2	10.7	11.6	16.9	19.1	23.5
Lake Creek	1	-	-	0.2	3.9	8.5
Lake Creek	2	3.3	3.4	4.1	14.0	23.4
Lake Hubbard	1	5.3	3.7	11.6	12.0	13.4
Lake Hubbard	2	8.7	12.4	26.7	27.5	34.3
Morgan Creek (R)	2	-	-	-	-	0.8
Morgan Creek (R)	3	-	-	-	-	1.0
Morgan Creek (R)	4	-	-	-	1.0	6.1
Morgan Creek (M)	5	-	2.5	7.9	15.2	23.9
Morgan Creek (M)	6	-	1.0	14.1	18.8	44.2
Morgan Creek 6 CTs		2.8	1.9	0.9	1.0	1.6
North Lake (M)	1	-	5.5	14.8	23.0	22.1
North Lake (M)	2	-	5.8	10.9	20.2	24.7
North Lake (M)	3	-	10.6	15.0	19.1	19.0
North Main (R)	4	-	-	-	8.1	2.1
Parkdale (R)	1	-	-	1.6	8.2	6.7
Parkdale (R)	2	-	-	2.1	9.8	8.1
Parkdale (R)	3	-	-	2.7	11.4	11.0
Permian Basin	5	2.0	1.7	4.0	9.5	22.0
Permian Basin	6	13.8	19.1	38.1	45.2	50.0
Permian Basin 5 CTs (PPA)		3.2	2.1	1.0	0.9	1.8
River Crest (R)	6	-	-	-	-	0.9
Stryker Creek	1	1.2	0.2	4.7	3.7	20.4
Stryker Creek	2	10.6	11.5	23.3	24.2	32.4
Tradinghouse	1	2.5	2.4	11.2	30.0	30.7
Tradinghouse	2	4.2	2.6	21.6	22.0	49.8
Valley (M)	1	-	0.4	9.2	12.5	21.4
Valley (M)	2	-	-	6.8	25.7	34.6
Valley (M)	3	-	-	2.8	5.8	10.7
Trinidad	6	1.9	2.2	6.9	10.4	19.8
Sweetwater	4	11.2	11.4	36.8	23.0	-
Sweetwater CT	1	8.9	12.4	18.2	23.8	-
Sweetwater CT	2	12.2	12.3	38.6	5.2	-
Sweetwater CT	3	11.5	10.8	43.9	37.1	-

Note: Excludes Handley and Mountain Creek units sold in 2002.

(R) Retired during 2004

(M) Mothballed

(PPA) Combustion turbine capacity/generation is under a purchase power agreement.

TXU POWER

Net Heat Rates

Ranges for the year ended 12/31/05; Btu/kWh

Plant	Unit	Low	High
Comanche Peak	1	10,200	10,500
Comanche Peak	2	9,500	10,500
Big Brown	1	10,587	11,517
Big Brown	2	10,587	11,517
Monticello	1	10,587	11,517
Monticello	2	10,587	11,517
Monticello	3	10,587	11,517
Martin Lake	1	10,587	11,517
Martin Lake	2	10,587	11,517
Martin Lake	3	10,587	11,517
Sandow	4	10,587	11,517
Collin	1	10,430	32,426
DeCordova	1	9,812	13,316
Decordova 4 CTs (PPA)		9,250	9,800
Eagle Mountain (M)	1	10,430	32,426
Eagle Mountain (M)	2	10,430	32,426
Eagle Mountain (M)	3	10,430	32,426
Graham	1	10,430	32,426
Graham	2	9,812	13,316
Lake Creek	1	10,430	32,426
Lake Creek	2	10,430	32,426
Lake Hubbard	1	10,430	32,426
Lake Hubbard	2	9,812	13,316
Morgan Creek (R)	2	10,430	32,426
Morgan Creek (R)	3	10,430	32,426
Morgan Creek (R)	4	10,430	32,426
Morgan Creek (M)	5	10,430	32,426
Morgan Creek (M)	6	9,812	13,316
Morgan Creek 6 CTs		9,250	9,800
North Lake (M)	1	10,430	32,426
North Lake (M)	2	10,430	32,426
North Lake (M)	3	10,430	32,426
North Main (R)	4	10,430	32,426
Parkdale (R)	1	10,430	32,426
Parkdale (R)	2	10,430	32,426
Parkdale (R)	3	10,430	32,426
Permian Basin	5	10,430	32,426
Permian Basin	6	9,812	13,316
Permian Basin 5 CTs (PPA)		9,250	9,800
River Crest (R)	6	10,430	32,426
Stryker Creek	1	10,430	32,426
Stryker Creek	2	9,812	13,316
Tradinghouse	1	9,812	13,316
Tradinghouse	2	9,812	13,316
Valley (M)	1	10,430	32,426
Valley (M)	2	9,812	13,316
Valley (M)	3	10,430	32,426
Trinidad	6	10,430	32,426
Sweetwater	4	11,500	12,000
Sweetwater CT	1	11,500	12,000
Sweetwater CT	2	11,500	12,000
Sweetwater CT	3	11,500	12,000

Note: Excludes Handley and Mountain Creek units sold in 2002.

(R) Retired during 2004

(M) Mothballed

(PPA) Combustion turbine capacity/generation is under a purchase power agreement.

TXU POWER

Fuel Mix and Average Cost¹

For the years ended December 31, 2001 – 2005; Mixed measures

Statistic	2005	2004	2003	2002	2001
Generation (MWh)					
Nuclear	18,443,200	19,052,643	17,749,343	16,579,084	18,322,265
Lignite/coal	45,910,650	44,116,439	43,240,756	39,817,056	39,506,193
Gas/oil ²	3,566,215	4,673,910	13,098,982	18,733,486	24,371,090
Gas/oil divested	–	–	–	854,232	3,626,265
Total	67,920,065	67,842,992	74,089,081	75,983,858	85,825,813
Generation mix (percent)					
Nuclear	27%	28%	24%	22%	21%
Lignite/coal	68%	65%	58%	52%	46%
Gas/oil	5%	7%	18%	26%	33%
Total	100%	100%	100%	100%	100%
Fuel cost (\$000)					
Nuclear	77,625	81,748	79,503	76,365	88,796
Lignite/coal ³	475,458	506,274	491,370	456,174	526,547
Total baseload	553,083	588,022	570,873	532,539	615,343

Depreciation Rates

For the years ended December 31, 2001 – 2005, except as noted; Percent

Plant Type	2005	2004	Apr-Dec 2003	Jan – Mar 2003	2002	2001
Nuclear	1.70	1.70	1.83	2.51	2.51	2.51
Lignite/coal	1.73	1.98	2.97	2.46	2.46	2.46
Gas/oil	2.31	2.31	2.31	2.00	2.00	2.00

Net Heat Rates

For the years ended December 31, 2001 – 2005; Btu/kWh

Plant Type	2005	2004	2003	2002	2001
Nuclear	10,172	10,280	10,399	10,470	9,983
Lignite/coal	11,045	11,237	11,220	11,192	11,216
Gas/oil	12,607	12,040	11,201	10,998	10,698

Outage Management (Baseload)

For the years ended December 31, 2001– 2005; TWh

Category	2005	2004	2003	2002	2001
Total					
Planned	3.9	3.8	3.3	5.1	3.1
Unplanned	3.4	3.5	5.6	6.6	6.8
Total	7.3	7.3	8.9	11.7	9.9
Nuclear					
Planned	1.9	1.1	0.7	2.2	0.8
Unplanned	0.1	0.1	1.1	0.6	0.4
Total	2.0	1.2	1.8	2.8	1.2
Lignite/Coal					
Planned	2.0	2.7	2.6	2.9	2.3
Unplanned	3.3	3.4	4.5	6.0	6.4
Total	5.3	6.1	7.1	8.9	8.7

¹ Based on Generating Availability Data System (GADS), an industry standard of measuring and quantifying generating plant performance. Excludes Handley and Mountain Creek units sold in 2002.

² Includes generation from DeCordova and Permian Basin CTs that is under a purchase power agreement beginning in May 2005.

³ Excludes depreciation and amortization of lignite mining plant and equipment and related asset retirement obligations, which are reported as depreciation and amortization expense.

TXU ENERGY

TXU Energy serves 2.3 million retail electric customers, of which 2.1 million are in its historical service territory. This territory, which is located in the north-central, eastern and western parts of Texas, has an estimated population in excess of 7 million, about one-third of the population of Texas, and comprises 92 counties and 370 incorporated municipalities, including Dallas/Fort Worth and surrounding suburbs, as well as Waco, Wichita Falls, Odessa, Midland, Tyler and Killeen. The Dallas/Fort Worth area is a diversified commercial and industrial center with substantial banking, insurance, telecommunications, electronics, aerospace, petrochemical and specialized steel manufacturing, and automotive and aircraft assembly operations. TXU Energy also provides retail electric service in other areas of ERCOT now open to competition, including the Houston, Corpus Christi, and lower Rio Grande Valley areas of Texas.

Financial and Operating Data

For the years ended December 31, 2002 – 2005; Mixed measures

Statistic	2005	2004	2003	2002
Retail electricity revenues (\$ millions)				
Residential	\$3,849	\$3,462	\$3,311	\$3,108
Small business	1,151	1,137	1,238	1,330
Large business	1,330	1,771	1,935	2,085
Total	\$6,330	\$6,370	\$6,484	\$6,523
Electric energy sales (GWh)				
Residential	32,655	33,986	35,981	37,692
Small business	9,678	10,839	12,986	15,907
Large business	15,843	25,466	30,955	36,982
Total	58,176	70,291	79,922	90,581
Number of electric customers (thousands)				
Native market:				
Residential	1,769	1,951	2,059	2,204
Small business	281	309	316	328
Total native market	2,050	2,260	2,375	2,532
Other markets:				
Residential	213	194	148	98
Small business	7	6	5	5
Total other markets	220	200	153	103
Large business	55	76	69	78
Total	2,325	2,536	2,597	2,713
Net customer change				
Native market	(9.3)%	(4.8)%	(6.2)%	(3.5)%
Other markets	10.0%	30.7%	48.5%	1,473%
Call Center metrics				
Answer speed (seconds)	11	39	268	93
Abandoned calls (percent)	2%	4%	26%	11%
Credit and collection metrics				
Average receivables (\$ millions)				
Less than 30 days	295.7	262.4	302.7	341.7
31-60 days	37.1	37.1	55.9	88.3
61-90 days	8.5	8.8	19.5	55.2
Greater than 90 days	8.6	8.2	24.7	78.4
Retail bad debt expense (\$ millions)	\$53.4	\$94.6	\$120.5	\$118.4
Bad debt as percent of total revenues	0.81%	1.46%	1.83%	1.80%
Weather (average for native market)				
Percent of normal:				
Cooling degree days	107.0%	90.0%	95.7%	99.8%
Heating degree days	90.0%	90.1%	98.1%	102.0%

TXU ENERGY

Price to Beat and Gas Component Information – Residential

Affiliate REP	Docket No.	Effective	Gas Price As Filed (\$)	Gas Price Increase (%)	Months	Fuel Factor (\$)	Average Price ¹ (¢/kWh)				
TXU	Prior to Mkt open	12/31/01					9.67				
	24040	01/01/02	3.111	–	All	2.4880	8.26				
	25802	08/27/02	3.619	16.3%	All	2.8935	8.66				
	27281	03/11/03	4.910	35.7%	All	3.9265	9.69				
	28191	08/22/03	5.362	9.2%	All	4.2877	10.06				
	29516	05/20/04	5.785	7.9%	All	4.6264	10.39				
	29837	08/04/04	6.517	12.7%	All	5.2140	10.98				
	31004	05/12/05	7.872	20.8%	All	6.2985	12.07				
	31830	10/28/05	9.743	23.8%	All	7.7975	13.60				
	31830	01/01/06	11.534	46.5%	All	9.2273	15.00				
First Choice	Prior to Mkt open	12/31/01					10.57				
	24194	01/01/02	3.111	–	All	2.17938	8.66				
	25885	08/27/02	3.817	22.7%	All	2.67396	9.15				
	27167	02/04/02	4.526	18.6%	All	3.17085	9.65				
	27390	03/27/03	5.166	14.1%	All	3.61921	10.10				
	27511	04/22/03	5.958	15.3%	All	4.17403	10.65				
	29800	07/07/04	6.454	8.32%	All	4.52131	11.00				
	30375	12/21/04	7.450	15.4%	All	5.21895	11.70				
	30999	05/12/05	7.845	5.3%	All	5.49555	11.98				
	31825	10/28/05	11.095	41.43%	All	7.7724	14.30				
31825	01/01/06	11.387	45.15%	All	7.9768	14.50					
Mutual Energy - CPL	Prior to Mkt open	12/31/01					9.57				
	24195	01/01/02	3.111	–	Mar-Jun	3.5173	8.80				
					Jul-Oct	3.2620					
					Nov-Feb	2.7677					
	25873	08/27/02	3.795	22.0%	Mar-Jun	4.2908	9.52				
					Jul-Oct	3.9793					
					Nov-Feb	3.3763					
	27376	03/25/03	5.123	35.0%	Mar-Jun	5.7926	10.93				
					Jul-Oct	5.3721					
					Nov-Feb	4.5580					
	29293	03/16/04	5.586	9.0%	Mar-Jun	6.3139	11.42				
					Jul-Oct	5.8556					
					Nov-Feb	4.9682					
	29845	08/10/04	6.517	16.7%	Mar-Jun	7.3683	12.41				
					Jul-Oct	6.8335					
					Nov-Feb	5.7979					
	30966	05/03/05	7.603	16.7%	Mar-Jun	8.5988	13.56				
Jul-Oct					7.9747						
Nov-Feb					6.7661						
31842	10/28/05	9.740	28.1%	Mar-Jun	11.0159	15.80					
				Jul-Oct	10.2166						
				Nov-Feb	8.6677						
				Existing Customers	01/01/06		10.420	37.1%	Mar-Jun	11.7850	16.50
									Jul-Oct	10.9298	
				New Customers	01/01/06		11.457	50.7%	Nov-Feb	9.2729	17.70
Mar-Jun	12.9584										
				Jul-Oct	12.0179						
				Nov-Feb	10.1965						

(continued on page 22)

¹ Average PTB price is calculated based on 1,000 kWh/month.

Mutual Energy – WTU²	Prior to Mkt open	12/31/01						9.98
	24335	01/01/02	3.111	–	Dec–Feb	3.2703		8.88
					Mar–May	4.9299		
					Jun–Aug	4.0583		
					Sep–Nov	3.1664		
	25874	08/27/02	3.795	22.0%	Dec–Feb	3.9894		9.71
					Mar–May	6.0140		
					Jun–Aug	4.9507		
					Sep–Nov	3.8627		
	27377	03/25/03	5.123	35.0%	Dec–Feb	5.3857		11.34
					Mar–May	8.1189		
					Jun–Aug	6.6834		
					Sep–Nov	5.2146		
	29292	03/16/04	5.586	9.0%	Dec–Feb	5.8704		11.91
					Mar–May	8.8496		
					Jun–Aug	7.2849		
					Sep–Nov	5.6839		
	29844	08/10/04	6.517	16.7%	Dec–Feb	6.8508		13.00
					Mar–May	10.3275		
					Jun–Aug	8.5015		
					Sep–Nov	6.6331		
	31276	08/005	7.516	15.3%	Dec–Feb	7.8989		14.20
					Mar–May	11.9076		
					Jun–Aug	9.8022		
					Sep–Nov	7.6480		
	31843	10/28/05	9.740	29.6%	Dec–Feb	10.2363		17.00
					Mar–May	15.4316		
					Jun–Aug	12.7024		
					Sep–Nov	9.9111		
	Existing Customers	01/01/06	10.420		Dec–Feb	10.9510		17.80
					Mar–May	16.5090		
					Jun–Aug	13.5893		
					Sep–Nov	10.6030		
	New Customers	01/01/06	11.457		Dec–Feb	12.0379		19.10
					Mar–May	18.1472		
					Jun–Aug	14.9386		
					Sep–Nov	11.6556		
Reliant Energy	Prior to Mkt open	12/31/01						10.40
	23950	01/01/02	3.111	–	All	2.5335		8.62
	25840	08/27/02	3.729	19.9%	All	3.0377		9.12
	26933	12/20/02	4.017	7.7%	All	3.2716		9.35
	27320	03/11/03	4.956	23.4%	All	4.0372		10.12
	27956	07/26/03	6.100	23.1%	All	4.9698		11.05
	30378	12/21/04	7.499	22.9%	All	6.1079		12.19
	30774 ³	05/02/05	7.499	N/A	All	6.1079		12.80
	30774 ³	09/13/05	7.499	N/A	All	6.1079		12.90
	31823	10/28/05	9.740	29.9%	All	7.9342		14.70
	31823	01/01/06	10.780	43.8%	All	9.2718		15.80
	31823	01/01/06	11.387	51.8%	All	9.2718		16.00
	32283 ⁴	01/01/06	11.387	N/A	All	9.2718		16.30

Native Market Price Comparison⁵ Various dates; ¢/kWh

Retail Electric Provider	01/01/06	06/20/05	12/31/04	12/31/03	06/03/03	12/31/02
TXU – PTB	15.00	12.07	10.98	10.06	9.69	8.66
Reliant Energy	13.02	11.70	10.21	9.05	8.73	8.23
Direct Energy	14.54	10.10	10.10	9.60	9.28	8.48
First Choice (TNMP)	17.60	10.80	10.80	10.75	10.75	8.20
Entergy Solutions	17.10	10.80	10.50	8.80	8.60	8.15
Green Mountain (Pollution Free)	15.00	12.07	10.99	10.66	10.30	9.00

² WTU annual averages include 3% Gross Receipts Fee.

³ CenterPoint Energy settlements with the PUC (“TC”, “EMC” and “CTC”) resulted in a base rate increase on 9/13/05; Reliant Energy’s fuel factor was reset based on \$7.499/MMBtu natural gas and the base rate increased \$0.71 cents/kWh.

⁴ CenterPoint Energy settlements with the PUC (“TCRF”) resulted in a base rate increase on 12/14/05; Reliant Energy’s base rate increased \$0.30 cents/kWh.

⁵ Rates calculated for a residential customer using 12,000 kWh/year

TXU WHOLESALE

TXU Wholesale optimizes the value of the TXU Energy Holdings portfolio by balancing customer demand for energy with the supply of energy in an economically efficient and effective manner. TXU Wholesale is responsible for the efficient scheduling and dispatch of power from the generation plants as well as providing additional supply balancing through wholesale purchases and sales of power. These efforts include hedging and risk management activities to mitigate commodity price risk as well as other value creation activities.

TXU WHOLESALE AND TXU ENERGY

Selected Credit Statistics for Wholesale Sales¹ As of December 31, 2002 – 2005; \$ millions and percent

Statistic	2005	2004	2003	2002
Gross credit exposure (net of collateral)	\$1,286	\$600	\$740	\$866
Investment grade credit exposure (net of collateral):				
Less than 2 years	\$ 730	\$317	\$424	\$624
2 - 5 years	114	86	119	22
Greater than 5 years	160	77	119	4
Total	\$1,004	\$480	\$662	\$650
Non investment grade credit exposure (net of collateral):				
Less than 2 years	\$256	\$79	\$50	\$195
2 - 5 years	26	22	14	21
Greater than 5 years	0	19	13	-
Total	\$282	\$120	\$77	\$216
Percent investment grade (net of collateral)	78%	80%	89%	75%
Percent non investment grade (net of collateral)	22%	20%	11%	25%
Total	100%	100%	100%	100%
Percent credit exposure maturities (net of collateral):				
Less than 2 years	77%	66%	64%	94%
2 - 5 years	11%	18%	18%	5%
Greater than 5 years	12%	16%	18%	1%
Total	100%	100%	100%	100%

Selected Credit Statistics for Large Business Retail Sales¹ As of December 31, 2002 – 2005; \$ millions and percent

Statistic	2005	2004	2003	2002
Gross credit exposure (net of collateral)	\$74	\$184	\$225	\$320
Investment grade credit exposure (net of collateral):				
Less than 2 years	\$57	\$148	\$155	\$139
2 - 5 years	-	3	10	28
Greater than 5 years	-	-	--	-
Total	\$57	\$151	\$165	\$167
Non investment grade exposure (net of collateral):				
Less than 2 years	\$17	\$33	\$57	\$151
2 - 5 years	-	-	4	-
Greater than 5 years	-	-	-	-
Total	\$17	\$33	\$ 61	\$151
Percent investment grade (net of collateral)	77%	82%	73%	52%
Percent non investment grade (net of collateral)	23%	18%	27%	48%
Total	100%	100%	100%	100%
Percent credit exposure maturities (net of collateral):				
Less than 2 years	99%	98%	94%	91%
2 - 5 years	1%	2%	6%	9%
Greater than 5 years	-	-	-	-
Total	100%	100%	100%	100%

¹ The tables shown above present the distribution of credit exposure for trade accounts receivable from large business customers, commodity contract assets and other derivative assets that arise primarily from hedging activities.

ERCOT/TEXAS MARKET/REGULATORY HIGHLIGHTS

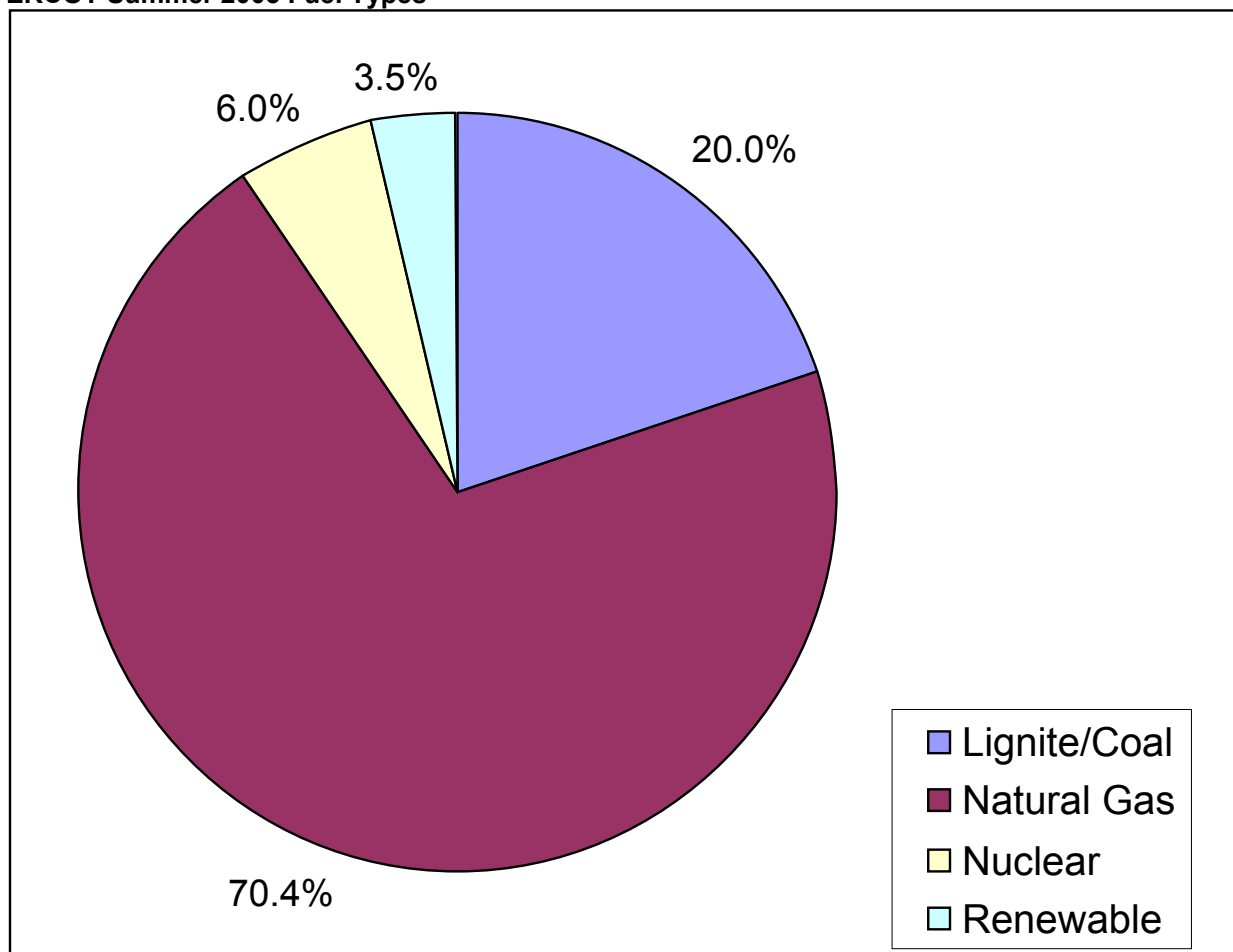
Electric Reliability Council of Texas (ERCOT)

The Electric Reliability Council of Texas is the Independent System Operator and the regional reliability coordinator of the various electricity systems in Texas. ERCOT is one of ten regional reliability councils in North America. As one of the largest control areas in the United States, the organization serves seven million customer premises and manages the scheduling of power on an electric grid consisting of 77,000 megawatts of generation capacity and 38,000 miles of transmission lines in Texas. ERCOT serves approximately 85 percent of the state's electric load and 75 percent of the geographic land area in Texas.

Statistic	2005
Market peak demand – Summer (MWs)	60,272
Total available capacity (MWs)	69,380
Interconnection capacity (MWs)	1,135
Reserve margin (percent)	17.4%
Number of residential competitive customers (millions of premises)	5.17

Statistic	North Texas	South Texas
Average monthly usage per residential customer (kWh)	1,294	1,180

ERCOT Summer 2005 Fuel Types



ERCOT/TEXAS MARKET/REGULATORY HIGHLIGHTS

Transmission Congestion Management in ERCOT

Transmission congestion is the additional cost associated with operating generation in a less than perfect economic manner due to the reality of a less than perfect transmission system. There are two sides to congestion costs: the cost of additional transmission versus the cost of less-than-optimal generation dispatch. The desired result is to minimize combined costs.

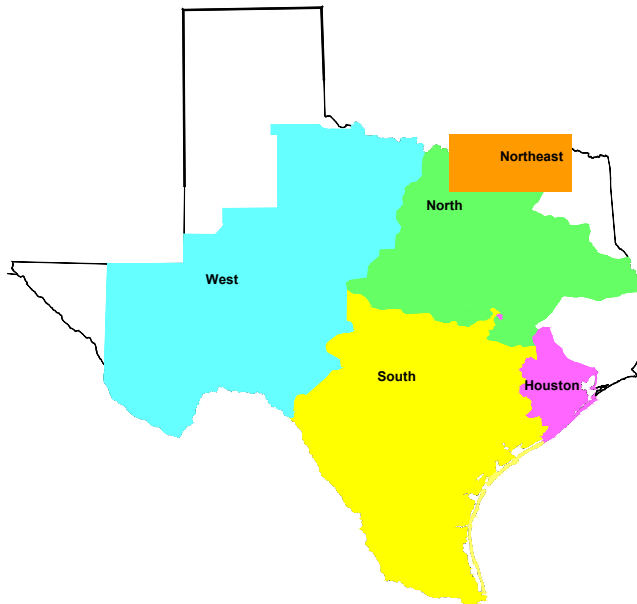
When the Texas competitive retail electricity market opened in 2002, the method of dealing with transmission congestion was referred to as “zonal”. ERCOT is divided into zones for transmission purposes, and currently uses “zonal” congestion management. Zonal congestion involves competitive solutions between different regions within the state. A competitive solution exists when multiple owners of generation can compete to resolve the congestion problem by making offers to increase or decrease their generation output. Costs for relieving congestion between transmission zones are charged to the companies that schedule load.

Local congestion also occurs within the zones. Typically, there are not enough generation owners in the area to compete to resolve the congestion, which requires generation in other zones to be used. Costs to resolve local congestion within zones are shared by Load Serving Entities within the zones on a proportional basis. Additionally, Reliability Must Run (RMR) agreements are executed by ERCOT to manage local reliability, and the cost of these contracts are included as part of the congestions costs. The congestion costs shared by all consumers within zones totaled \$210 million in 2002, \$405 million in 2003, \$279 million in 2004, and \$262 million in 2005.

The challenge for ERCOT is to balance the cost of generation dispatch to resolve congestion against the cost of additional transmission investment to relieve this congestion. As indicated by the reduction of congestion costs from 2003 to 2005, transmission companies are actively addressing local congestion in a cost-effective manner by adding new transmission facilities in those locations identified by high local congestion costs.

ERCOT and the market participants have developed a set of Nodal Market Protocols that describe the structure and operation of a proposed ERCOT Nodal market. The PUC approved these protocols, subject to the findings of Docket No. 31540 proceedings. This nodal market design differs from the zonal model primarily in the level of granularity used in dealing with generators. The nodal market makes no distinction between zonal and local congestion. As directed by the PUC, a cost-benefit study designed to assess the potential nodal market design against the current zonal market design was filed with the PUC on December 21, 2004. The results of this study indicate that under the current assumptions regarding nodal market operation, changing to a nodal market in ERCOT should result in a net benefit of approximately \$1 billion to ERCOT customers as a whole, although impacts will vary across the state. As with any estimate, its results should be considered as being within a range of possibilities, rather than the one definitive outcome. When comparing the 2003 actual operation of the zonal market to a 2003 optimal operation of the zonal market, TXU believes that as much as half of the \$1 billion cost reduction indicated in the cost-benefit analysis has already been achieved by market participants through more disciplined commitment and dispatch versus from the market design change. Much of the recent mothballing of existing generating capacity has been further evidence of this.

ERCOT Congestion Zones - 2005



ERCOT/TEXAS MARKET/REGULATORY HIGHLIGHTS

Market Rules Overview

Rule	Definition	Impact to TXU
<p>Price to Beat</p>	<p>TXU Energy may not charge rates to those customers that are different from the price-to-beat rates until the earlier of:</p> <ul style="list-style-type: none"> (a) January 1, 2005 or (b) Until 40% of the electric power consumed by customers in those respective customer classes is supplied by competing REPs. <p>Thereafter, TXU Energy may offer rates different from the price-to-beat to customers in that class, but must also continue to make the price-to-beat rate available for residential and small business customers until January 1, 2007.</p>	<p>In December 2003, TXU Energy met the 40% requirement to be allowed to offer alternatives to the price-to-beat rate for small business customers in the native market.</p> <p>Effective January 1, 2005, TXU Energy was allowed to offer alternatives to the price-to-beat rate for residential customer in the native market.</p>
<p>PTB Fuel Factor Adjustment</p>	<p>Twice per year, affiliated REPs may request that the PUC adjust the fuel factor component of the price-to-beat rate based on changes in the market price of natural gas. Under amended rules, a request for a change in the fuel factor can be petitioned if natural gas futures move more than 5% (10% if the petition is filed after November 15 of any year) from the level used to set the existing price-to-beat fuel factor rate.</p>	<p>Subsequent to PUC approval, TXU Energy has exercised its right to increase the fuel factor components of its price-to-beat rates in August 2002, March and August 2003, May and August 2004, and May and October 2005.</p>
<p>Unregulated Pricing on ERCOT Wholesale Power Transactions</p>	<p>Power generation companies affiliated with electric delivery utilities may charge unregulated prices in connection with ERCOT wholesale power transactions.</p>	
<p>Provider of Last Resort (POLR)</p>	<p>Under the POLR framework, the POLR provides electric service only to customers who request POLR service, whose selected REP goes out of business, or who are transferred to the POLR by other REPs for reasons other than non-payment.</p>	<p>TXU Energy did not bid to be the POLR, but was designated POLR through lottery for residential and small business customers in certain West Texas service areas and for small business customers in the Houston service area. TXU Energy's obligation to serve as POLR in those areas ceased on December 31, 2004. However, the REPs selected by the PUC to assume the POLR obligation in those areas on January 1, 2005 initially objected to that selection. To ensure continuity of POLR service, TXU Energy voluntarily agreed to continue providing POLR service in those areas until March 31, 2005, at which time Energy's POLR obligations ceased. Under the current rule, the PUC will use a competitive bid process in late 2006 to determine POLR providers for 2007 and 2008.</p>

ERCOT/TEXAS MARKET/REGULATORY HIGHLIGHTS

Summary of TXU Settlement Plan Filed with the PUC on December 31, 2001¹

Major Element	Description
Excess Mitigation Credit	Over the two year period ended December 21, 2003, TXU Electric Delivery implemented a stranded cost excess mitigation credit in the amount of \$389 million, plus \$26 million in interest, applied as a reduction to delivery rates charged to all REPs, including TXU Energy.
Regulatory Asset Securitization	TXU received a financing order authorizing the issuance of securitization bonds up to \$1.3 billion to recover regulatory asset stranded costs and other qualified costs. TXU Electric Delivery, through its bankruptcy remote financing subsidiary, issued an initial \$500 million of securitization bonds in August 2003 and the remaining \$790 million in June 2004. The principal and interest on the bonds is recoverable through a delivery fee surcharge to all REPs, including TXU Energy.
Retail Clawback Credit	A retail clawback credit related to residential customers was implemented in January 2004. The amount of the credit is equal to the number of residential customers retained by TXU Energy in the native market on January 1, 2004, less the number of new residential customers TXU Energy has added outside of the native market as of January 1, 2004 multiplied by \$90. A credit of \$161 million was applied to residential delivery rates charged by TXU Electric Delivery to all REPs, including TXU Energy over the period from 2004 through 2005.
Stranded Costs and Fuel Cost Recovery	TXU's stranded costs, not including regulatory assets, are fixed at zero. The Company will not seek to recover its unrecovered fuel costs which existed at December 31, 2001 nor pursue a final fuel cost reconciliation which would have covered the period from July 1998 until the beginning of competition in January 2002.

¹ For detailed information related to various regulatory proceedings in which TXU is or has recently been involved, please see our Annual Reports filed with the SEC on Form 10-K or our most recent Quarterly Reports filed with the SEC on Form 10-Q.

ERCOT/TEXAS MARKET/REGULATORY HIGHLIGHTS

Public Utility Commission of Texas

1701 N. Congress Avenue
 P.O. Box 13326
 Austin, Texas 78711-3326
 (512) 936-7000

The PUC of Texas is responsible for:

- Ensuring that Texans have access to high-quality competitive alternatives for electric service
- Providing exemplary customer service in disseminating educational information, assisting customers to resolve disputes concerning electric service and ensuring compliance with relevant law and regulations
- Implementing the Public Utility Regulatory Act in a way that observes the letter and captures the spirit of the legislative directives
- Resolving contested matters efficiently, emphasizing collaboration and consensus

The PUC consists of three members appointed by the Governor and confirmed by the state senate for six-year staggered terms of office. A chairperson is designated by the Governor.

Commissioner	Term Expires	Background
Paul Hudson (Chair)	September 2009	Previously, Director of Policy for the Office of the Governor; a bachelor's degree from University of Texas and a master's degree from Arizona State University
Julie Parsley	September 2011	Previously, Solicitor General of Texas in the Office of the Attorney General; a graduate of Texas A&M with a law degree from Texas Tech University School of Law
Barry T. Smitherman	September 2007	Previously served as Harris County Assistant District Attorney; a graduate of Texas A&M with a law degree from the University of Texas School of Law and a master's degree from Harvard University

SCHEDULE OF LONG-TERM DEBT

As of December 31, 2005; \$ millions

Issue	Year Due	Fixed/ Floating	2006	2007	2008	2009 & Beyond	Total	Date of Next Redemption	Next Redemption Price
TXU Corp.									
<i>Senior Notes</i>									
Series C, 6.375% (a)	2008	Fixed			200		200	01/01/08	100.00
Series J, 6.375% (a)	2006	Fixed	683				683	(b)	T+20
Series K, 4.446%	2006	Fixed	50				50		
Series M, 5.80% (c) (d)	2008	Fixed			179		179	5/11/06(d)	
Series O, 4.80% (a)	2009	Fixed				1,000	1,000	(b)	T+25
Series P, 5.55% (a)	2014	Fixed				1,000	1,000	(b)	T+30
Series Q, 6.50% (a)	2024	Fixed				750	750	(b)	T+35
Series R, 6.55%	2034	Fixed				750	750	(b)	T+35
Conv sr notes, 5.65% (e)	2033	Floating				25	25	07/15/08	100.00
<i>Other</i>									
Building financing, 8.820%	2022	Fixed	10	11	9	79	109		
Fair value adjust – interest rate swaps - various						(53)	(53)		
Unamortized discount						(9)	(9)		
Total TXU Corp.			743	11	388	3,542	4,684		
TXU Energy Company LLC									
<i>Pollution Control Revenue Bonds (PCRBs)</i>									
Brazos River Authority:									
5.40% Series 1994A	2029	Fixed				39	39	11/01/15	100.00
5.40% Series 1994B (f)	2029	Fixed				39	39	05/01/06 (g)	100.00
5.40% Series 1995A (f)	2030	Fixed				50	50	05/01/06 (g)	100.00
5.05% Series 1995B (f)	2030	Fixed				114	114	06/19/06 (g)	100.00
7.70% Series 1999A	2033	Fixed				111	111	04/01/13	101.00
6.75% Series 1999B (f)	2034	Fixed				16	16	04/01/13 (g)	100.00
7.70% Series 1999C	2032	Fixed				50	50	04/01/13	101.00
3.63% Series 2001A (h)	2030	Floating				71	71	(b)	100.00
4.75% Series 2001B (f)	2029	Fixed				19	19	11/01/06 (g)	100.00
5.75% Series 2001C (f)	2036	Fixed				217	217	11/01/11 (g)	100.00
3.56% Series 2001D (h)	2033	Floating				268	268	(b)	100.00
4.45% Series 2001I (h)	2036	Floating				62	62	(b)	100.00
3.63% Series 2002A (h)	2037	Floating				45	45	(b)	100.00
6.75% Series 2003A (f)	2038	Fixed				44	44	04/01/13 (g)	100.00
6.30% Series 2003B	2032	Fixed				39	39	07/01/13	101.00
6.75% Series 2003C	2038	Fixed				52	52	10/01/13	101.00
5.40% Series 2003D (f)	2029	Fixed				31	31	10/01/14 (g)	100.00
Sabine River Authority:									
6.45% Series 2000A	2021	Fixed				51	51	06/01/10	101.00
5.50% Series 2001A (f)	2022	Fixed				91	91	11/01/11 (g)	100.00
5.75% Series 2001B (f)	2030	Fixed				107	107	11/01/11 (g)	100.00
5.20% Series 2001C	2028	Fixed				70	70	11/01/15	100.00
5.80% Series 2003A	2022	Fixed				12	12	07/01/13	101.00
6.15% Series 2003B	2022	Fixed				45	45	08/01/13	101.00
Trinity River Authority:									
6.25% Series 2000A	2028	Fixed				14	14	05/01/13	101.00
5.00% Series 2001A (f)	2027	Fixed				37	37	11/01/06 (g)	100.00
Total PCRBs			-	-	-	1,694	1,694		
<i>Senior Notes</i>									
6.125% Senior notes (a)	2008	Fixed			250		250	(b)	T+37.5
7.00% Senior notes	2013	Fixed				1,000	1,000	(b)	T+50
4.920% Senior notes (e)	2006	Floating	400				400	(b)	100.00
Total senior notes			400	-	250	1,000	1,650		
<i>Other</i>									
Capital lease obligations	Various					103	103		
Fair value adjust – interest rate swaps - various						9	9		
Unamortized premium and discount									
Total TXU Energy Company LLC			400	-	250	2,806	3,456		
TXU Electric Delivery									
<i>Senior Secured Notes</i>									
6.375% (i)	2012	Fixed				700	700	(b)	T+25
7.00% (i)	2032	Fixed				500	500	(b)	T+30
6.375% (a) (i)	2015	Fixed				500	500	(b)	T+30
7.25% (i)	2033	Fixed				350	350	(b)	T+35
<i>Debentures</i>									
5.00% (a)	2007	Fixed		200			200	(b)	T+20
7.00%	2022	Fixed				800	800	(b)	T+30
Unamortized discount						(17)	(17)		
Subtotal			-	200	-	2,833	3,033		

SCHEDULE OF LONG-TERM DEBT (cont.)

As of December 31, 2005; \$ millions

Issue	Year Due	Fixed/ Floating	2006	2007	2008	2009 & Beyond	Total	Date of Next Redemption	Next Redemption Price
TXU Electric Delivery Transition Bond Company (j)									
2.26% Series 2003	2007	Fixed	36	8			44	(k)	100.00
4.03% Series 2003	2010	Fixed		29	39	54	122	(k)	100.00
4.95% Series 2003	2013	Fixed				130	130	(k)	100.00
5.42% Series 2003	2015	Fixed				145	145	(k)	100.00
3.52% Series 2004	2009	Fixed	57	59	60	39	215	(l)	
4.81% Series 2004	2012	Fixed				221	221	(l)	
5.29% Series 2004	2016	Fixed				290	290	(l)	
Subtotal			93	96	99	879	1,167		
Total TXU Electric Delivery			93	296	99	3,712	4,200		
TXU US Holdings									
<i>Senior Debentures</i>									
7.17%	2007	Fixed		10			10	(b)	T+10
<i>Notes</i>									
7.46% Secured facil bonds	2015	Fixed	7	7	11	66	91	(l)	
9.58% Semi-annual install	2019	Fixed	3	3	4	55	65	(l)	
8.254% Quarterly install	2021	Fixed	3	3	3	53	62	(l)	
<i>Junior Subordinated Debentures</i>									
5.05%, Series D (e)	2037	Floating				1	1	(b)	100.00
8.175%, Series E	2037	Fixed				8	8	02/01/07	104.09
Unamortized premium						5	5		
Total TXU US Holdings			13	23	18	188	242		
Total long-term debt			1,249	330	755	10,248	12,582		

- (a) Interest rates swapped to floating on an aggregate \$3.4 billion principal amount.
- (b) Redeemable with prior notice.
- (c) Equity-linked
- (d) Expected to be remarketed on May 11, 2006, at which time the rate may change.
- (e) Interest rate in effect at December 31, 2005.
- (f) These series are in the multi-annual mode and are subject to mandatory tender prior to maturity on the mandatory remarketing date. On such date, the interest rate and interest rate period will be reset for the bonds.
- (g) Redemption date represents mandatory remarketing date.
- (h) Interest rates in effect at December 31, 2005. These series are in a weekly rate mode and are classified as long-term as they are supported by long-term irrevocable letters of credit.
- (i) Unsecured as of October 25, 2005.
- (j) Nonrecourse to TXU Electric Delivery. Due in bi-annual installments through due date.
- (k) Not redeemable unless 5% or less of initial principal balance is outstanding and only after last scheduled payment date.
- (l) No redemption prior to maturity.

COMMON STOCK DATA¹

For years ended December 31, 2001 – 2005; \$ per share unless otherwise noted

Measure	2005	2004	2003	2002	2001
Earnings per share from continuing operations ² :					
Basic	\$3.73	\$0.13	\$0.88	\$0.19	\$1.02
Dilutive ³	\$2.63	\$0.13	\$0.82	\$0.19	\$1.02
Earnings per share:					
Basic	\$3.60	\$(0.64)	\$0.87	\$(7.61)	\$1.26
Dilutive	\$2.50	\$(0.64)	\$0.81	\$(7.61)	\$1.26
Shares outstanding (year end - millions)	471	480	648	644	530
Weighted average shares outstanding (millions):					
Basic	476	600	643	556	519
Dilutive	486	600	758	556	519
Dividends paid (\$ millions)	\$544	\$150	\$160	\$652	\$621
Dividends paid	\$1.125	\$0.25	\$0.25	\$1.20	\$1.20
Dividend payout ratio (percent)	45.0%	–	30.9%	–	95.2%
Book value	\$1.01	\$0.71	\$8.67	\$7.40	\$14.45
Historical stock prices					
Market price:					
High	\$58.30	\$33.50	\$11.98	\$28.53	\$25.00
Low	\$30.22	\$11.68	\$7.50	\$5.05	\$17.41
Close	\$50.19	\$32.28	\$11.86	\$9.34	\$23.58

¹ Prior year periods have been reclassified to reflect certain operations as discontinued operations and a two-for-one common stock split.

² Before extraordinary items and cumulative effect of changes in accounting principles

³ Operational earnings (diluted) per share for 2005 were \$3.33. Excluding special items, earnings (diluted) from continuing operations before extraordinary items, and changes in accounting principles were \$3.35. For the diluted operational earnings calculation, weighted average shares were 486 million. Operational earnings (diluted) per share for 2004 were \$1.41. Excluding special items, earnings (diluted) from continuing operations before extraordinary items, and changes in accounting principles were \$1.45. For the diluted operational earnings calculation, weighted average shares were 641 million.

CREDIT RATINGS¹

As of April 2006

Company/Bonds	Moody's	S&P	Fitch
TXU Corp.			
Senior unsecured	Ba1	BB+	BBB-
TXU US Holdings			
Senior unsecured	Baa3	BB+	BBB-
TXU Electric Delivery			
Senior unsecured	Baa2	BBB-	BBB+
TXU Energy Company LLC			
Senior unsecured	Baa2	BBB-	BBB

LIQUIDITY

As of December 31, 2005 and 2004; \$ millions

Liquidity Component	Borrower	Maturity	2005	2004
Cash and cash equivalents			37	106
Commercial paper program	TXU Energy/TXU Electric Delivery Co.		(358)	-
\$1.4 billion credit facility	TXU Energy/TXU Electric Delivery Co.	June 08	770	1,172
\$1.0 billion credit facility	TXU Energy/TXU Electric Delivery Co.	August 08	800	-
\$1.6 billion credit facility	TXU Energy/TXU Electric Delivery Co.	March 10	1,405	-
\$500 million credit facility	TXU Energy/TXU Electric Delivery Co.	June 10	460	500
\$500 million credit facility	TXU Energy	December 09	-	500
Terminated facilities			-	531
Total available liquidity			3,114	2,809

CAPITAL EXPENDITURES

For the years ended December 31, 2001 – 2005; \$ millions

Segment	2005	2004	2003	2002	2001
TXU Energy Holdings	309	281	163	284	327
TXU Electric Delivery	733	600	543	513	635
Corporate and Other	5	31	15	16	26
Total	1,047	912	721	813	988

¹ A rating reflects only the view of a rating agency, and is not a recommendation to buy, sell or hold securities. Any rating can be revised upward or downward at any time by a rating agency if such agency decides that circumstances warrant such a change.

DEFINITIONS

OPERATIONAL PERFORMANCE MEASURES

Baseload – Generation category including both nuclear and lignite/coal-fired generation representing the most cost efficient generation in an area that is generally economical to run at all times.

CAIDI – (Customer Average Interruptible Duration Index) – Defined as the duration in minutes of the average interruption to electric service.

DART – Days Away, Restricted Duty or Transferred. The number of lost time and restricted duty injuries, plus the number of employee transfers due to injury, per 200,000 employee hours worked.

Fuel Factor – The initial Price to Beat (PTB) fuel factors, set in 2001, were based on typical integrated utility fuel filings, adjusted for the 10-day rolling average price of the NYMEX 12-month strip for the last 5 trading days prior to, and first 5 trading days after September 11, 2001. Prior to revisions in the PTB rule in April 2003, increases in the fuel factors were permitted only after a 4% increase in the 10-day rolling average price of the NYMEX 12-month strip. Currently, increases must reflect at least a 5% increase in the 20-day rolling average of the NYMEX 12-month strip, and the PTB rule ends on January 1, 2007.

Heat Rate – A measure of generating station thermal efficiency, generally expressed in Btu per new kWh. It is computed by dividing the total Btu content of fuel burned for electric generation by the resulting net kWh generation.

IDR – An IDR meter is an interval data recorder. It records a customer's electrical demand and consumption in 15 minute intervals (or 96 times a day).

Installed Capacity – The full-load continuous rating of a generator under specified conditions as designated by the manufacturer.

Large Business – The Large Business Market is comprised of customer having aggregate demands of one megawatt or greater (annual spend generally \$250K or higher), Large business customers span commercial, industrial, government, and education sectors. Large Business customers typically sign contracts with 1 to 5 year terms that are transacted through a direct sales force and channel partners.

Native Market – An Affiliated Retail Electric Provider's (AREP) native market is the geographic boundaries of the area and associated retail customers served by the former integrated utility from which an AREP was created.

Net Customer Change – Gross customer gains due to move ins and win-back plus the gross customer losses caused by switching, move-outs and disconnects.

Net Generation – The amount of electric energy produced by the generating units in a generating station, less the kilowatt-hours consumed for that station's use.

NIDR – A non-IDR meter is a meter that records a customer's electrical demand and consumption over a monthly period.

SAIDI – (System Average Interruptible Duration Index) – Defined as the number of minutes the average customer is out of electric service in a year.

SAIFI – (System Average Interruptible Frequency Index) – Defined as the number of times a year the average customer experiences an interruption to electric service.

FINANCIAL PERFORMANCE MEASURES

Available Capacity – Amount of undrawn capacity on corporate and subsidiary short-term borrowing facilities.

Book Value Per Share – Common equity divided by end of period shares outstanding.

Liquidity – Measures how easily assets can be turned into cash to pay bills, pay dividends to shareholders, and make future investments in the growth of the business. Also a measure of cash and cash equivalents and credit facility capacity available.

Operational Earnings Per Share - (a non GAAP measure) – Per share (diluted) income from continuing operations net of preference stock dividends, excluding special items, the adjustment in 2005 for the cost of the true-up payment on the 52.5 million share accelerated share common stock repurchase and the adjustment in 2004 for the dilution effect of the convertible senior notes, the majority of which were repurchased in the fourth quarter of 2004. TXU relies on operational earnings for evaluation of performance and believes that analysis of the business by external users is enhanced by visibility to both reported GAAP earnings and operational earnings.

Total Debt – Sum of short-term and long-term debt and capital leases on the balance sheet less non-recourse debt.

INVESTOR INFORMATION

The Board of Directors meets quarterly, generally on the third Thursday of February, May, August and November. The Annual Shareholders Meeting is generally held on the 3rd Friday in May of each year.

TXU's quarterly earnings results, and other news and information of investor interest may be obtained by accessing the company's website at www.txucorp.com.

For copies of TXU's 10-K and 10-Q reports filed with the Securities & Exchange Commission or for other investor information, access the website at www.txucorp.com or write to:

TXU Corp.
Investor Relations
Energy Plaza
1601 Bryan Street
Dallas, Texas 75201

Securities analysts and representatives of financial institutions may contact the following in Investor Relations regarding TXU's financial and operating performance: Tim Hogan, Director of Investor Relations at 214-812-4641 (thogan@txu.com); Bill Huber at 214-812-2480 (bhuber1@txu.com); or Steve Oakley at 214-812-2220 (steve.oakley@txu.com).

TXU COMMON STOCK INFORMATION

TXU Corp.'s common stock is listed on the New York, Chicago and Pacific stock exchanges under the symbol "TXU." The TXU share price is reported daily in the financial press under "TXU" in most listings of New York Stock Exchange securities. TXU is a member of the following indices: S&P 500, S&P 500 Utilities Index, Dow Jones Utilities Average, and the Philadelphia Utility Index, among others.

At year end 2005, there were 470,845,978 shares of TXU common stock outstanding. Shareholders of record totaled 52,741.

TXU COMMON STOCK PRICES

The high and low trading prices for each quarterly period in 2005 and 2004 were as follows (in dollars per share), adjusted for the stock split:

Quarter	2005 High	2005 Low	2004 High	2004 Low
1	\$40.38	\$30.22	\$15.07	\$11.68
2	43.63	37.36	20.36	13.58
3	56.59	40.17	24.13	19.17
4	58.30	44.01	33.50	24.03

TXU COMMON STOCK DIVIDEND INFORMATION

Dividends paid during 2005 were non-taxable distributions (or return of capital). The Board of Directors declares dividends quarterly and sets the record and payment dates. Subject to Board discretion, those dates for 2006 are:

Declaration Date	Record Date	Payment Date
February 16, 2006	March 3, 2006	April 3, 2006
May 18, 2006	June 2, 2006	July 3, 2006
August 17, 2006	September 1, 2006	October 2, 2006
November 16, 2006	December 1, 2006	January 2, 2007

Dividend information will be updated according to the declaration schedule.

Quarterly Dividend Payments

For the years ended December 31, 2001 – 2005; cents per share

Quarter	2005	2004	2003	2002	2001
1	28.125	6.25	6.25	30.0	30.0
2	28.125	6.25	6.25	30.0	30.0
3	28.125	6.25	6.25	30.0	30.0
4	28.125	6.25	6.25	30.0	30.0

SHAREHOLDER ACCOUNT INFORMATION

Effective March 13, 2006, American Stock Transfer & Trust Company (AST) is TXU's transfer agent, registrar, dividend disbursing agent, and direct stock purchase and dividend reinvestment plan administrator. Shareholders of record with questions about their account such as lost or stolen certificates, lost or missing dividend checks, or notifications of change of address should contact AST at 1-866-876-2166, via email to info@amstock.com, or in writing to:

American Stock Transfer & Trust Company
Operations Center
6201 15th Avenue
Brooklyn NY 11219

DIVIDEND REINVESTMENT/STOCK PURCHASE

TXU offers an automatic Dividend Reinvestment and Stock Purchase Plan administered by AST. The plan is designed to provide TXU shareholders and other investors with a convenient and economical method to purchase shares of the company's common stock. The plan also accommodates payments of up to \$250,000 per year for the purchase of TXU common shares. Contact AST by telephone (1-866-876-2166) or visit TXU's website (www.txucorp.com) for information and an enrollment form.

www.txucorp.com